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FINANCIAL TIMES

PUBLISHED IN LONDON AND FRANKFURT

No. 28,626 Monday November 16 1981 ***30p

ITINENTAL SELLING PRICES: AUSTRIA Sch. 15; BELGIUM Fr 30; DENMARK Kr 6.00; FRANCE Fr 4.50; GERMANY DM 2.0; ITALY L 1,000; NETHERLANDS Fl 2.25; NORWAY Kr 6.00; PORTUGAL Esc 50; SPAIN Pts 75; SWEDEN Kr 6.00; SWITZERLAND Fr 2.0; EIRE 42p; MALTA 30c

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NEWS SUMMARY

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...xecutive of the ... for Labour Party ... agreed to put a ...ore its annual meet... month calling for ...puty leadership con... decision will come ... to party leader ...oot, who said it "almost criminal" if ... the issue continued ...r year. Back Page

...n deterrent

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...Nato demo

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... Karpov and Viktor ...i drew the 16th World ...ampionship game.

BUSINESS

Crown Agents in sale of property

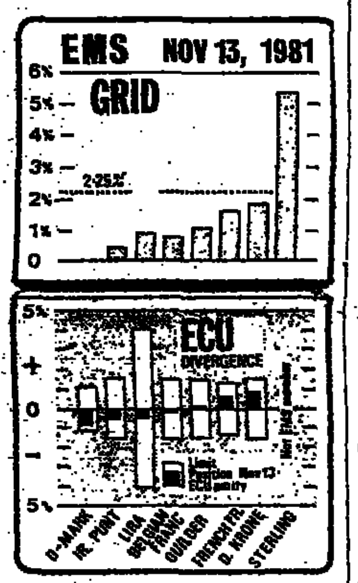
● **CROWN AGENTS** are expected to sell Australian property assets which have a possible market value of A$400m (£242m). Back Page

● **TRADE DEPARTMENT** is likely to reject a Monopoly Commission recommendation that credit card operators should drop "non-discrimination" clauses in their contracts. Back Page

● **MEMBERS** of the European Monetary System were on the sidelines in foreign exchange trading last week. The weakness of the dollar as U.S. interest rates declined was the major factor. But this was of benefit to the two most important currencies outside the system, sterling and the Swiss franc.

Swiss interest rates were cut, but despite central bank support the D-mark fell to its lowest level against the Swiss franc for over three years.

The D-mark lost ground, and remained the weakest member of the EMS, but was still well *within its divergence limit* by the end of the week. Although slightly weaker the Danish krone was again the strongest currency in the system.



The chart shows the two constraints on European Monetary System exchange rates. The upper grid based on the weakest currency in the system defines the cross rates from which no currency (except the lira) may move more than 2¼ per cent. The lower chart gives each currency's divergence from the "central rate" against the European Currency Unit (ECU) itself a basket of European currencies.

● **CHINA** turned a first quarter trade deficit into a surplus of $500m (£261.5m) in the nine months to end September. China-EEC trade, Page 3

● **BP** believes recoverable reserves in its Buchan and Magnus North Sea oilfields may be *substantially higher* than first forecast. Page 5

● **WILLIAMS AND GLYN'S** Bank is discussing with a building society the provision of cheque cashing and cash dispensing facilities. Page 6

● **CLEARING BANKS** say the £80m asking price for their planned takeover of the International Commodities Clearing House is far too high. Page 4

● **LUXEMBOURG** is considering allowing the establishment of Swiss-style fiduciary bank accounts. Page 30

● **CBI** leaders are likely to decide this week to set up a working party to examine ways in which companies can help reduce unemployment. Page 5

● **IBM** of the U.S. captured about 40 per cent of the West European computer market last year with sales of $9.9bn (£5.2bn). Page 3

● **CAPITALFIN** International, the Italian controlled investment group, has placed the bulk of its shares in H. Clarkson with UK financial institutions in a bid to seek a public quotation for the shipbroker. Back

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European summit expected to approve Bonn-Rome initiative

BY JONATHAN CARR IN BONN

WEST GERMANY expects broad approval from the European Council heads of government summit meeting in London next week for its initiative with Italy to give political impetus to the European Community.

Official sources here say Bonn has been encouraged by the reception given to the draft document on progress towards a European union, circulated to other EEC governments last week.

Among other things the draft proposes a strengthening of the role of the European Parliament, quicker and more intensive co-operation by EEC foreign ministers on security matters and progress towards *more majority* decision-making in the EEC Council.

When Herr Hans Dietrich Gensche, the German Foreign Minister, first proposed such a document last January he made clear *his aim was to promote* greater political cohesion in Europe at a time of growing international danger.

It has since emerged his views and those of Sig Emilio Colombo, *his Italian colleague,* so closely coincided that the document which has emerged amounts to a joint Bonn-Rome initiative.

Herr Genscher and Sig Colombo will present the document formally to their colleagues at the EEC foreign ministerial meeting in Brussels tomorrow. The European Parliament will be briefed on Thursday.

The Germans believe the heads of state and government in London will then give their agreement in principle that the foreign ministers work on the draft, together with the European Commission, to produce an agreed final text.

It is intended that the result will be a so-called Act, like the final Act of the Helsinki Security Conference, rather than a formal treaty. This is because a treaty could present problems of parliamentary ratification in some countries, including Britain.

Herr Genscher has not given up, however, his original plan for the still more binding treaty-form in the longer run. The draft suggests the EEC member-states agree that the next step to a treaty be taken in five years' time.

One of the encouraging developments for the Germans is that the French left-wing Government has shown more enthusiasm than its liberal predecessor did for the *initiative.* It is stressed in Bonn this does not mean the French do not have ideas of their own, which they would like to flow into the final text. Broadly speaking, however, *the Germans feel* they have the French behind them.

Herr Genscher knows he also has the support of Lord Carrington, the British Foreign Secretary, for those elements involving a strengthening of the EEC foreign ministerial council. Lord Carrington has made similar suggestions himself.

The proposals on moves towards more majority decision-making may be one area where *the British are less forthcoming.* The draft has been fairly loosely formulated so that it is felt that virtually no one could see in it a threat of being over-ruled on a matter of "vital national interest."

John Wyles adds from Brussels: The European Community's tortuous efforts to agree internal reforms and a strategy for the future move into a crucial phase today when EEC foreign ministers start negotiations aimed at averting the possibility of a deadlocked London summit.

As President of the Council of Ministers Lord Carrington will be carrying *the responsibility* of trying to pilot his colleagues towards broad agreements which could then be sealed by the heads of governments at the summit.

His determination has been underlined by the fact that he has set aside today and half of tomorrow for negotiation, and all of Thursday as well if necessary. Nevertheless, officials *fro mseveral delegations* believe the task to be accomplished on

Continued on Back Page

Further base rate cut likely this week

By William Hall, *Banking Correspondent*

A FURTHER cut in UK banks' base lending rates is expected this week if sterling remains firm and U.S. interest rates *continue on their downward path.*

A reduction in UK bank base rates would be welcome news for both industry and the Government since there is growing evidence that the unexpected 4 percentage point rise in bank base rates, to 16 per cent on October 1, has undermined prospects for any growth in the economy next year.

In the past month UK High Street banks have cut base rates twice, by half a point each time, but U.S. interest rates have fallen much more rapidly.

When UK base rates were increased to 16 per cent, their second-highest level ever, Eurodollar interest rates were 1 percentage point higher than equivalent UK rates. Since then U.S. rates have dropped sharply so that UK rates stand at a 1½ percentage point premium *over Eurodollar rates.*

After the London foreign exchange markets closed on Friday, the pound continued to strengthen in New York, closing at $1.9120—its highest level since the end of June. Dealers attributed its strength partly to the fact that UK interest rates are now standing above those in the U.S. and most European countries.

In addition, there is growing evidence that U.S. interest rates have further to fall and that the U.S. economy has weakened significantly in recent months.

Dr Henry Kaufman, Salomon Brothers' chief economist forecast last week that the federal funds rate would fall to 11 or 12 per cent, prime rates could be at 15 per cent or lower within a month, and a cut in the U.S. discount rate is imminent.

Against this sort of background, several UK bankers believe that provided sterling remains firm there could be scope for further reductions in UK base rates. Mr Roy Gamble, *Midland Bank's treasurer, said* last Friday that "the signs are all there for starting to prepare for a possible modest reduction in base rate in the next week or so."

Lloyds Bank, in its latest economic bulletin, says that the Government should be encouraged to cut interest rates since any unfavourable impact this might have on the money supply would be more than outweighed by the favourable impact on the real economy.

Work stoppage plan to honour Ulster MP

BY BRENDAN KENNAN IN BELFAST

MOST OF Ulster's factories, *shops and schools may* shut down for an hour tomorrow during the funeral of the assassinated MP, Rev Robert Bradford.

It is expected there will be widespread support in the Protestant community to the call from Mr Bradford's fellow Unionists for the stoppage. It is being planned both as a mark of respect for the dead MP and as a protest against what Unionists see as inadequate security policies.

There is a general fear that Mr Bradford's murder could spark off a round of retaliatory killings, with politicians of *both sides as prime targets.*

The Northern Ireland Secretary, Mr James Prior, who flew to Belfast after the shooting, spoke of this danger after a meeting with the Chief Constable, Mr John Harmon, and the army commander, General Sir Richard Lawson.

Attack

The police said additional security measures would be taken, particularly to protect politicians.

Some leading figures have police bodyguards and many *other politicians have legally* held firearms. But most accept that there is no defence against a determined attack.

Mr Prior said in a radio interview with the BBC: "I beg of people to leave it to the police and army to take what action they can. Don't make their job more difficult." Mr Prior said that if people responded by acting outside the law they would be playing into the hands of the IRA.

The reaction to the killing from Loyalists—who feel as embattled as at any time during the past 13 years—has been bitter. There were warnings that Unionists would take steps to defend themselves and deal with terrorism.

According to Mr Ken Maginnis, who was defeated in the Fermanagh-South Tyrone by election, these steps would be within the law, although it would depend on how the law was interpreted.

The Rev. Ian Paisley said people should gather at the Cenotaph or other suitable venues in their towns or villages during Mr Bradford's funeral.

Mr Paisley has also called a meeting of Unionist groups for Saturday, although it is unlikely Official Unionists will attend.

In his interview Mr Prior stressed that political progress was still needed and that the IRA was intent on stopping it. But there is a widespread belief that Mr Bradford's murder has dealt a severe blow to any hopes of getting a Unionist response to the Anglo Irish initiative.

Unionist leaders in fact claim the Anglo Irish talks contributed to Mr Bradford's death. Official Unionist Leader, Mr James Molyneaux, said the talks had put the IRA back in business and given them a fresh stimulus.

The SDLP leader, Mr John Hume, whose party's annual conference was overshadowed by the killing, said the Provisionals were trying to stop the Anglo Irish process. He also believes they are intent on provoking a deeper level of communal strife.

The Republic's Prime *Minister, Dr Garret FitzGerald,* said the IRA were trying to create a collapse and establish a military dictatorship but the people of both North and South would stand against them.

Mr Bradford *himself* had said he was on the IRA death list because of his allegations of Provisional infiltration into Belfast's Royal Victoria Hospital. He claimed that anti-H Block campaigners used hospital phones and facilities and that money and equipment had been misappropriated.

Mr Bradford, 40, was one of the hardest line Unionists, particularly on security matters, where he advocated the death penalty for terrorists and greater use of the SAS. But he was a hard working and popular constituency MP in his mainly Protestant seat of South Belfast.

He is survived by a wife and seven-year-old daughter.

It emerged that his killers made Mr Bradford's police bodyguard and the other man who died in the shooting kneel down outside the community centre while they went in and shot Mr Bradford.

Police assume the killers did not know they had a police officer at their mercy. It seems the second victim, caretaker Mr Ken Campbell, was shot as he tried to stop the gang getting away.

There may already have been one retaliatory killing. Two gunmen on a motor cycle chased and shot an 18-year-old Catholic man in East Belfast in the early hours of Sunday *morning* and a 19-year-old was seriously wounded in an attack in North Belfast.

Saudis may re-establish Soviet diplomatic links

BY RICHARD JOHNS IN JEDDAH

SAUDI ARABIA is seriously considering re-establishing *diplomatic* links with the Soviet Union for the first time since before the Second World War.

In return it wants explicit acceptance by Moscow of Crown *Prince Fahd's* eight-point Middle East peace plan.

Such a move would be a serious blow to U.S. efforts to persuade its Arab allies to give a higher priority to the threat from the Soviet Union.

Saudi Arabia is believed to have promised other conservative Arab oil-producing states at last week's summit in Riyadh of the Gulf Co-operation Council *that it would urgently* review the question of diplomatic relations with the Soviet Union.

The pledge is understood to have come after strong pressure from Kuwait which has had an *ambassador in Moscow since* 1962. The other members of the council, the United Arab Emirates, Bahrain, Qatar and Oman are believed to have indicated they were prepared to exchange ambassadors with Moscow.

The Saudis are insisting that in advance of nay formal announcement Russian accepts Crown Prince Fahd's eight principles. Hitherto the Soviet Union's reaction has been negative.

Approval of the Saudi principles by Mr Yasser Arafat, chairman of the Palestine Liberation Organisation, could also prove of *critical importance* to the outcome of deliberations within the heart of the Saudi royal court.

On a visit to Riyadh two weeks ago Mr Arafat is thought to have delivered a message *from President Leonid Brezhnev* of the Soviet Union. This followed nearly four years in which Moscow has attempted to woo Riyadh indirectly.

Meanwhile Saudi Arabia officially denied reports that it committed itself to diplomatic ties with Russia.

The argument that the Saudis' bargaining power with Washington would be strengthened if Riyadh had diplomatic relations with Moscow has also been gaining ground.

However, Western diplomats remain sceptical about the chances of relations being established in the near future.

● *ISRAEL yesterday reaffirmed* its opposition to Saudi Arabia's eight-point peace plan. Mr Menachem Begin, the Prime Minister, has said it is designed to annihilate Israel by stages.

Engineering 'tea break' row ends

BY JOHN LLOYD AND ARTHUR SMITH

ENGINEERING companies which have attempted to follow BL's example in clawing back the one hour reduction in the working week to 39 hours, which became effective in the industry last week, are to be brought to heel, leaving BL publicly exposed.

Talks between national officers of the Confederation of Shipbuilding and Engineering Union and the Engineering Employers' Federation in the past week have brought agreement that the 50 to 100 engineering companies which tried to offset the onehour reduction—mainly by cutting down rest periods—will not bring in such cuts without agreement from local union officials.

But this may mean that some companies do negotiate reduced breaks. It is also thought a number of companies have already imposed reductions which have not been reported to the CSEU because of the weakness of the union structure.

Talks between the EEF and the CSEU will resume today on the national rates for 1.2m engineering workers. The last offer from the EEF, of 3.16 per cent, is expected to be improved to between 4 and 5 per cent.

EEF officials believe they may get agreement on this figure though Mr Terry Duffy, the president of the Amalgamated Union of Engineering Workers, *described it last night as* "unacceptable."

The Ford negotiations, stalled last week at 4.5 per cent, will resume informally this week with a meeting between Mr Ron Todd, the 13 Ford unions' chief negotiator, and Mr Paul Roots, the company's industrial relations director.

BL Cars is likely to lay off hundreds more workers today as the effect of the strike over tea-breaks spreads at the Longbridge plant in Birmingham.

A walkout by 2,200 workers has stopped all output of the Metro, Allegro and Mini models. Another 5,000 workers have been made idle at Longbridge and factories supplying components will be affected progressively.

The strikers, protesting about a proposed cut in tea-breaks and rest time to finance the introduction of the 39-hour-week, do not meet again *until* Thursday.

The dispute, particularly as it hits the best selling Metro, is viewed with concern by BL. Present stocks are good as November and December sales tend to be low. But a prolonged stoppage could affect Metro supplies in the new year.

FT to test satellite transmission

BY GUY DE JONQUIERES

THE FINANCIAL TIMES will start a two-week trial of high-speed facsimile transmission by satellite between London and Frankfurt later this month.

Pages of the newspaper will be transmitted directly from a dish aerial to be mounted on the roof of Bracken House, the FT's head office, to the European Space Agency's Orbital Test Satellite.

The signals will be relayed almost instantaneously to another dish aerial at the printing works in Frankfurt, where the international edition of the newspaper is produced.

The trial, due to start next week, will be carried out in collaboration with British Telecom and the West German Post Office, the Bundespost.

It is intended to provide practical experience in preparation for the Europe-wide satellite communications service which the two authorities, together with other national telecommunications administrations, plan to offer business users from 1984.

The FT said it would consider using the planned service to transmit newspaper pages and copy to Frankfurt if it proved economically attractive.

The newspaper is at present transmitted to Frankfurt on facsimile machines linked by international telephone lines. This arrangement will continue during the trial, for which the FT has been allocated about an hour's satellite time in the middle of each day.

The trial will be the first satellite link between a British newspaper and a production facility in another EEC state.

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Unit trusts are not suitable for money that you may need at short notice since the price of units and the income from them may go down as well as up.

Prices and yields appear daily in the FT. An initial charge of 5% is included in the offered price; an annual charge of ½% plus VAT is deducted from the Fund's gross income. Distributions for Income units are made on 1st May and 1st November net of basic rate tax and are reinvested for Accumulation units to increase the value of the units. The next distribution date for new investors will be 1st May 1982. You can buy or sell units on any business day. Contracts for purchases or sales will be due for settlement 2 or 3 weeks later. Remuneration is payable to accredited agents; rates are available on request. Trustee: Barclays Bank Trust Co. Limited. The Fund is a wider-range security and is authorised by the Secretary of State for Trade. M&G is a member of the Unit Trust Association.

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SIGNATURE DATE

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OVERSEAS NEWS

Arafat warns PLO of imminent Israeli attack

BY IHSAN HIJAZI IN BEIRUT

sMOBILISATION of the Palestinian Liberation Organisation's forces in anticipation of a major Israeli attack against Gurrilla positions in Lebanon, has been ordered by Mr Yasser Arafat, the organisation's leader.

In a speech to Palestinian students who form part of PLO reserves. Mr Arafat rejected the idea of any curb by the Arab League on the flow of weapons to the Guerrillas in Lebanon. He also opposed expansion of the size and mandate of the United Nations peacekeeping force in southern Lebanon. The speech, made on Saturday, was reported in the Lebanese Press yesterday.

[Mr Arafat's warning echoed growing anxiety among diplomats that Israel might be preparing an onslaught against Palestinian positions in Lebanon, our Tel Aviv Correspondent reports. One cause of this fear was an elaborate exposition at a Press conference last week by Mr Ariel Sharon, the Defence Minister, of a PLO build-up in south Lebanon. Mr Sharon said that Israel would not watch the build-up continue indefinitely.

Some diplomates are also worried about the possibility of Israeli provocations against Saudi Arabia. Israeli leaders are believed to have told the U.S. that they will continue reconnaissance flights over Saudi Arabia, if necessary, to protect Israeli security.]

Mr Arafat's speech coincided with a recurrence of tension in Lebanon's border region with Israel after three Christian militia men from the forces of Major Saad Haddad were killed by a landmine on Friday. Major Haddad said that in as far as he was concerned, the ceasefire on the Lebanese-Israeli border —now in its fourth month— no longer existed.

Mr Arafat said recent declarations by the Israeli Defence Minister and other officials meant war.

In their next attack, the Israelis would strike at the Lebanese capital, Beirut, the PLO leader said. Israeli troops would land at the Palestinian-controlled town of Damour on the coast south of the capital and would fan out to the north and south, he claimed.

The PLO chairman reported that he had informed the Arab League that his guerrilla movement did not agree to last week's decision by a league committee to stop the flow of arms via Lebanese ports.

Rome-Bonn bid for a new model Europe

BY JOHN WYLES IN BRUSSELS

JUDGING BY the number of facelift designs now in circulation, the European Community is a curiously unattractive and ineffective creature. A few weeks ago, the new French Government launched its "Relance Européene" on an unsuspecting world, sketching out as its political centrefold the contours of a more robust and "relevant" EEC. At the end of last week, EEC capitals received a blueprint for an altogether more ethereal confection designed to transport all member-governments into a state of European Union.

Conceived in Bonn with additional styling from Rome, the proposals are bound to excite curiosity, welcome, dissatisfaction and opposition in various parts of the Community. They carry the joint imprimatur of the West German and Italian Governments and the personal recommendations of their principal architects, Herr Hans Dietrich Genscher, West Germany's Foreign Minister, and Sig Emilio Colombo, his Italian counterpart.

The sponsorship is both predictable and interesting. Predictable, because when Herr Genscher first floated his ideas for European Union in a speech in January, he was promptly supported by Sig Colombo. Interesting, because it is not at all clear what has driven both men to resurrect such an unfashionable and, to some, embarrassing concept as European union.

The idea dates back to the early 1960s and has been lying in the political dust ever since Mr Leo Tindemans, then Belgian Premier, produced a celebrated report on how it could be achieved at the beginning of 1976.

He was responding to a mandate issued by his fellow-heads of Government at the Paris summit of December 1974 and issued them with an ambitious grand design for achieving union based on a single decision-making centre.

Every year since then, EEC summits, whether inconsequentially harmonious or bitterly divided, have issued unconvincing communiques outlining progress towards European Union.

Why then have Herr Genscher and Sig Colombo taken up this apparently discredited idea? According to them, because the Community is beset by so many economic difficulties and internal contradictions that it is provoking a growing public disillusion. What is needed, they say, is a renewal of political will and a strengthening of institutions so that European union can gradually develop among European peoples and their Governments on the foundation of genuine and effective solidarity.

Some of this rhetoric can certainly be taken at face value, but there are other and more complex forces at work. There is, first of all, the problem of West German policy towards the Community, or to be more acute, of West German policies.

On the one hand, there is an increasingly aggressive and impatient Chancellor Helmut Schmidt, demanding a limit on West German payments to the Community budget and being extremely tepid about most ideas recently produced for developing new policies. The Genscher-Colombo initiative serves, at the very least, to emphasise that a broader and more enthusiastic West German view of the Community exists.

It also offers a coherent response from at least two member-states to the string of proposals coming out of the European Commission for developing new policies, reforming the Common Agricultural Policy and restructuring the EEC budget.

As with all major internal Community negotiations, this exercise, which reaches one important milestone at the EEC summit in London this month, risks plunging the Ten into mutual recrimination and acrimony. The European union proposal could at least remind heads of government that they are involved in an enterprise which is concerned about other things apart from dairy spending and net budget balances.

According to reports in Brussels, the proposals are firmly rooted in existing institutions and practices and will not easily be dismissed as starry-eyed idealism.

Having once called for a new Treaty of European Union, Herr Genscher has now agreed with Sig Colombo that this is politically impractical and that a European "Act" is needed which would be a statement of principles, an agreement to reform institutions, and a somewhat vague definition of objectives. The overall aim, however, would be the achievement of European Union.

There are at least three elements to the strategy:

1—A decision to locate the European Council—the thrice-yearly summits which have no constitutional role under the EEC Treaties—as the formal political director of the EEC. Among other things, this would mean that its decisions would not need to be adopted by the Foreign Affairs Council before they had legal force.

The Genscher-Colombo proposal says that the European Council would be the source of all decisions on advancing towards European union and that these decisions would not, strictly speaking, need to be based on the principle of unanimity. Abstentions, which can at present block an agreement, would in future not be allowed to do so.

● An expanded role for the European Parliament, which would receive and debate every year a report from the European Council on progress towards European union. The Parliament would also be offered new areas of consultation.

● The creation of a Council of Ministers responsible for cultural co-operation and of other councils covering areas which are not regulated by EEC Treaties.

Herr Genscher has kept his proposal for regular formal consultations on sec policy and implies that, if does not suit Ireland bec of its neutrality, the Co could take place withou participation.

Herr Genscher . . . j sponsor with Italy's Colombo

Peace-keeping forces reach Chad capital

By Our Foreign Staff

FIRST UNITS of a pan-African peace-keeping force arrived in the Chad capital of N'djamena yesterday as the last Libyan troops departed.

With renewed fighting reported from the country's eastern border region, some 250 paratroops from Zaire arrived as the vanguard of the first such military exercise ever mounted by the Organisation of African Unity (OAU) at the request of a member-state.

The official Libyan news agency reported simultaneously that the last members of the 10,000-strong Libyan force, which entered the country a year ago to support President Goukouni Oueddei in his war against the former Defence Minister, Mr Hissein Habré, had left the capital

The agency claimed that supporters of Mr Habré, backed by Sudanese troops, had already occupied the three towns of Karida, Adri and Ariba, but said that the last Libyan units would still leave the eastern garrison town of Abeche today.

Thousands in rally against Spain's plan to join Nato

BY TOM BURNS IN MADRID

TENS OF thousands of demonstrators gathered on the campus of Madrid University yesterday, in the largest mobilisation to date in Spain's Left-wing opposition campaign to halt the Government's already-advanced plans to join Nato.

Organisers claimed a crowd of 500,000, but the civil governor of Madrid put attendance at 100,000.

The rally, sponsored by the Socialist and Communist parties, with the backing of trade unions and civil organisations, was a mixture of rock music and speeches on the lines of other European peace meetings.

Despite the festive atmosphere, the size of the rally illustrated the extent of opposition in Spain to Nato entry.

The Government has refused opposition calls for a referendum on the issue and its Nato entry plans were endorsed by a significant majority in Congress last month.

The Congress vote is awaiting ratification by the Senate later this month, and an early invitation for Spain to join the Atlantic Alliance could be made at the Nato winter council meeting in December.

Winding up the rally, Sr Felipe Gonzalez, leader of the socialist party, asked: "What will the Nato allies say when they learn that half a million protested in Madrid—double the number that joined the peace rally in Bonn?"

West German groups opposed to the expansion of Frankfurt international airport staged one of the country's biggest post-war demonstrations on Saturday. Kevin Done reports from Frankfurt. About 100,000 people took part in the peaceful protest at Wiesbaden, capital of the state of Hesse. But police using water-cannon again clashed yesterday with thousands of demonstrators who tried to block access to the airport terminal.

Setback for French fight against inflation

By Terry Dodsworth in Paris

THE FRENCH Government's hopes of cutting inflation to only 2 per cent over the last quarter of this year suffered a serious setback last month, when retail prices rose by 1.2 per cent.

This increase indicates that the effort to slow down inflation through selective control mechanisms, launched at the beginning of October, has been slow to take effect. The October figure was marginally higher than in September, when prices rose by 1.1 per cent

Following these disappointing results, the Government is to take further steps to limit price increases of several consumer items, including some meat products and household equipment. The meat prices are to be blocked during the next three months, while prices on the other products will be frozen in the first quarter of next year.

These products are being added to the currently frozen list covering mainly basic foodstuffs

French nuclear deterren force to be strengthened

BY TERRY DODSWORTH IN PARIS

FRANCE'S NUCLEAR deterrent force is to be strengthened by a seventh nuclear submarine and a new tactical land-based missile to replace the ageing Pluton range.

These decisions, announced at the weekend, confirm the Socialist Government's strong line on a broadly based nuclear defence programme for the country.

It follows moves to continue with experimental work on the neutron bomb, as well as on a new range of M4 multiple-head ballistic missiles for service in the submarine fleet.

According to the announcement from the Elysée Palace, the Government is also aiming to achieve a position within the next few years in which it can keep three nuclear submarines at sea at any one moment. But no date was given for the launching of the seventh unit.

The new Hades missile, the successor to the Pluton, is not expected to go into service before the early 1990s. Development is to begin next year the aim of creating a we which will be more mobile its predecessor, which carried around on the AX tank, and with a range of ar 200 miles.

During the National Asse debate on the 1982 De budget, which finished Friday, M Charles Hernu, Defence Minister, stressed Government's pre-occup with the growth of Soviet power in eastern Europe.

He said it was en reasonable for Western Eu to install American th nuclear missiles to redres imbalance caused by the l up of Russian SS-20 mis thus givin gthe impression France is linking the expa of its own arsenal close that of Nato.

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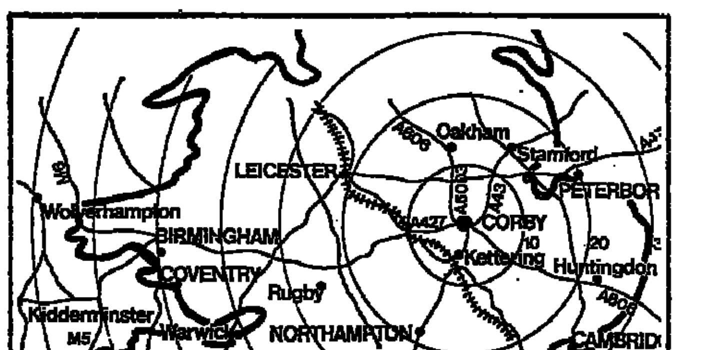

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CORBY WORKS

BM outstrips rivals in uropean computer sales

UY DE JONQUIERES

AN-OWNED manufac- led by International Machines, captured an 60 per cent of the European market for r equipment and ser- st year, according to a of the top 25 companies out by the Logica con- of London.

survey, published in ion, the U.S. magazine, hat IBM, with Euro- venues of $9.9bn, con- to dwarf all its com- The figures give IBM 0 per cent of the total estimated by Logica to en worth roughly $25bn r.

bis is rather lower than revious industry esti- of IBM's share, which iely thought to be as 60 per cent in the early

ermore, the 12 per owth in IBM's European s, which include an fied amount from its rocessing business, was ped last year by almost all its rivals, according to the survey.

Only Siemens of West Germany, ranked second in the revenue table, and Memorex of the U.S. did less well. All the figures are expressed in terms of dollars and are, therefore, subject to currency fluctuations.

Among the most sparkling performers were several younger U.S. manufacturers of smaller computers, led by Data General, whose European revenues rose 56 per cent last year. Hewlett-Packard and Digital Equipment, also American companies, showed increases of 54 per cent and 39 per cent respectively.

Britain's Ferranti and Sweden's Datasaab also fared well, with increases of 47 per cent and 36 per cent respectively, while the U.S.-British Rank-Xerox scored an increase of 50 per cent.

The figures tend to confirm recent broad trends in the computer market. Sales of bigger machines, in which IBM is dominant, have been relatively sluggish, while the market for smaller computers has expanded rapidly.

It is interesting to note that the list contains no Japanese companies, several of which have been expanding their international sales efforts, or personal computer manufacturers like Apple and Commodore of the U.S.

The survey is the first of its kind carried out by Logica, so no comparisons can be made with previous years. It covers the 10 EEC member countries as well as Scandinavia, Austria, Portugal, Spain and Switzerland.

The figures include revenues from data processing equipment, comprising computers and peripherals, software, services and data communications equipment. Except in IBM's case office equipment was excluded.

Logica points out that some anomalies are inevitable because company reporting requirements are generally less stringent in Europe than in the U.S. and because of differences between the countries involved.

E TOP 25 COMPANIES OPERATING IN EUROPE

ompany	Parent co's h.q.	European data processing revenue (Jan-Dec, 1980) $m	% change European data processing revenue between fiscal year 1979 and fiscal year 1980	World data processing revenue, fiscal year 1980 $m
I	U.S.	9,902†	+ 12	26,213
nens	W. Germany	1,505	+ 10	2,040
Honeywell Bull	France	1,444	+ 23	1,489
	UK	1,300	+ 13	1,494
vetti	Italy	876	+ 23	1,221
rry Univac	U.S.	825	+ 13	2,800
R	U.S.	810	+ 27	2,525
ital Equipment	U.S.	786	+ 39	2,368
itrol Data	U.S.	764	+ 34	2,791
roughs	U.S.	734	+ 14	2,902
dorf Computer	W. Germany	707†	+ 23	855
wlett-Packard	U.S.	593	+ 54	1,546
omson-CSF	France	497	+ 17	*
Alcatel	France	493	+ 18	518
neywell Info. Systems	U.S.	491	+ 29	1,634
ssey§	UK	289	+ 18	268
tasaab§	Sweden	276	+ 36	276
ık Xerox§	U.S.	254	+ 50	845
nzle	W. Germany	232	+ 17	216
ranti	UK	218	+ 47	201
norex§	U.S.	175	− 7	501
a General	U.S.	171	+ 56	654
I	France	156	+ 14	168
	U.S.	155	+ 24	*
ıdahl	U.S.	152	+ 23	394

available † Figures include word processing ‡ Profit before tax, not net income § Estimates
xcludes Philips (Netherlands), for which no figures are available Source: Logica/Datamation

£16m deal in Africa for Elco Power

By Our World Trade Staff

ELCO POWER PLANT, a Bradford company set up in 1978, has concluded 18 months of negotiations with the Anambra state Government in Nigeria by winning a £16m contract to provide electrical equipment, set up a workshop and grant training facilities for a water programme.

The contract will mean that Elco will have to employ an extra 50 people. It is providing 300 generating sets and 600 pumping sets which will be driven by Perkins and Rolls-Royce diesel engines.

Like others seeking the order, Elco had to submit a tender, but what swung the contract in the company's direction was its willingness to provide a workshop and to train, on site, Nigerian technicians to maintain the equipment.

The equipment has to be provided over the next two years.

Williams and Glyn's Bank and Charterhouse Japhet are providing Anambra with £13m to help finance the project, and this credit is being covered by the Export Credits Guarantee Department.

● Wyseplan, the North Humberside portable building manufacturer, has won a contract to provide Hawker Siddeley Power Engineering with accommodation for an electrification project in the Nigerian state of Oyo.

● Hawker Siddeley Power Engineering itself has been awarded a contract, through the Crown Agents, to supply the National Institute of Energy in Guinea Bissau with a diesel generating set, and supervise its installation at an existing power station, in a deal worth £750,000.

Paul Cheeseright on one company's growing Nigerian business

Taylor Woodrow's drive pays off

AYLOR WOODROW will know within the next month whether it has won a contract worth more than Naira 400m (£333m) to build the new National Assembly building in Nigeria's developing Federal Capital Territory, based on the new town of Abuja. Its main competitor is Bouygues, the French group.

The award of the contract would mark the culmination of a more aggressive marketing policy in Nigeria—a policy which is aimed at taking the company away from the relatively small scale state and private contracts into the larger scale work of prestigious Federal Government contracts.

The company, 40-per-cent owned by Taylor Woodrow in London and Taylor Woodrow International and 60 per cent owned by Nigerian interests, is the most aggressive of the British construction groups active nationwide in Nigeria. But only this year is it likely to arrest a trend of falling profits.

Between 1977 and 1980 turnover fell from N41.7m to N30.5m and net profits slipped from N1.5m to N637,000. But in the first year of decline, 1978, as earnings per share dropped to 11.8k from 21.5k the previous year, the dividend rose to 3.9k from 2.8k before trailing off to 3.5k in 1980.

Turnover this year will more than double to N70m while next year, on the basis of the present order book, it will be a minimum of N90m.

The recovery is partly due to general economic factors. The poor years of 1979 and 1980 reflected the change to civilian government and the re-ordering of official priorities which cut into the flow of routine local contracts. But by the end of 1980 orders were beginning to come through again and this year the company has won contracts worth N170m.

All of these contracts are financed in local currency and all come from the federal authorities, enabling Taylor Woodrow to build up the sort of track record necessary to stand a realistic chance of winning the major contracts in the Federal Capital area, like that for the construction of the National Assembly.

Importantly for the future growth of the company, Taylor Woodrow is now on the list of companies held by the Federal Government and invited to bid for contracts. Most orders from this source do not result from winning through open tenders.

And the new contracts also result in a better balance between overheads and turnover. With headquarters in Lagos, an expensive staff of expatriates to maintain and costly plant to be financed, a rising turnover is essential.

"We've grown a lot this year—there have been the pains of re-birth. But now we have the team to make the company grow further," said Mr Frederick Shepherd, the managing director.

But there are risks attached to the growth policy, although Taylor Woodrow is now doing more work with the same staff, and is, hence, more productive than it was during the lean years. These risks are precisely those which have made London boards of competing companies dubious about the future of the Nigerian market.

Taylor Woodrow suffers from the cash flow problems which are a concomitant of official contracts in Nigeria at both state and federal level, but especially at state level. By September the company was having to carry N20m of overdue payments, of which half was due from state governments and of which N2m had been outstanding for more than a year.

Although prices may be higher for state contracts, this benefit is more than offset by the cost of financing the absence of expected funds and the sheer drudgery of conjuring money out of state capitals.

This at least partly explains why Taylor Woodrow has been making a drive into the federal contract area, where the delays on payment are not usually more than two months and arise from procedural difficulties rather than a shortage of cash.

SHIPPING REPORT

Rates remain depressed

BY OUR SHIPPING CORRESPONDENT

NEITHER THE oil nor the dry cargo markets provided any sparks last week as rates remained generally depressed and most owners prepared to write off 1981 as a fairly dismal year.

Any glimmer of hope in the previous week for tanker owners, said E. A. Gibson, had been quickly extinguished by business volume failing to match up to the amount of tonnage available.

The view expressed at an oil industry executives meeting in Chicago that the oil surplus could be gone by the end of this winter was not regarded as particularly favourable.

This is because of reports that more refinery capacity in western Europe would be closed down, thus further reducing crude oil transportation.

Galbraith Wrightson reckoned there was unlikely to be any revival in rates for larger tankers before the middle of 1982, since the first quarter of any year was always a difficult time.

Rates for VLCCs (very large crude carriers) to the West are below Worldscale 20. To the East, the rate is Worldscale 31.

World Economic Indicators

FOREIGN EXCHANGE RESERVES

(U.S.$m)

	Aug. '81	July '81	June '81	Aug. '80
UK	13,549	13,609	14,837	20,352
U.S.	10,031	9,842	10,751	5,946
W. Germany	41,932	43,422	44,618	45,773
Japan	24,093	23,967	24,245	19,191
Netherlands	6,919	7,807	7,616	10,111
Italy	17,197	16,472	15,870	20,845
Belgium	4,187	4,578	4,886	7,111
	July '81	June '81	May '81	July '80
France	22,636	23,194	27,201	25,333

Source: IMF.

EC sees Chinese recovery

TONY WALKER IN PEKING

OFFICIALS who have isiting Peking for annual talks believe there are times ahead for Sino- an trade which has d in recent years.

Roy Denman, Commission r-General, said that in st half of this year the nity's exports to China creased by some 31 per

hope that this hiccup or of 1980 has now been he told a Press con- at the end of the Com- 's round of talks with nese.

Roy said the two sides had discussed further liberalisation measures in order to improve Chinese access to markets in Europe.

But, he pointed out that China's trade with the Community was growing rapidly and Europe was now the largest market for Chinese manufactured goods.

China's exports to the EEC jumped 45 per cent last year to some $2.6bn compared with the Community's exports to China of $2.4bn.

The Comission official said his delegation had complained to the Chinese about the shrinking Community share of the Chinese market, pointing out that both the U.S. and Japan had held their share at 18 and 27 per cent respectively, while the EEC's had dropped to 11 per cent.

"We did make the point strongly to the Chinese that while we could not expect absolute mathematical equality with our main competing trading nations, we did want to have more of an equal share of their market," Sir Roy said.

"If European goods aren't competitive in a particular area, we agree there is no obligation on the Chinese to purchase them. But we do think we are strongly competitive in a whole range of sectors.

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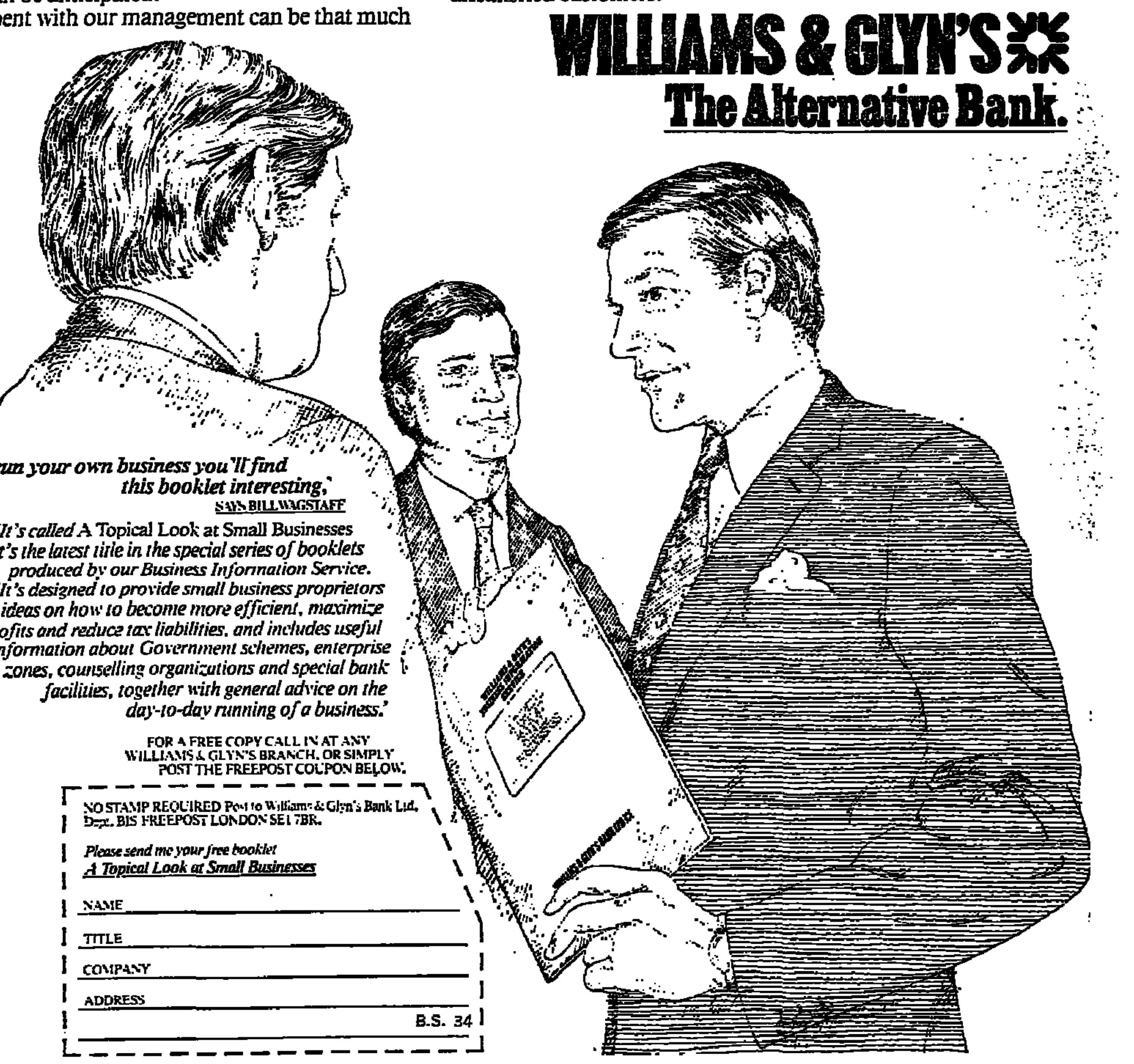

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UK NEWS

Government 'resigned to high total of jobless'

By David Marsh

THE GOVERNMENT is resigned to fighting the next election with unemployment high, probably well above 2.5m. It will not reflate the economy before then because of the fear of further worsening its re-election chances by adding to inflation, according to Mr George Cardona, who has just left his job as one of the Treasury's political advisers.

In an article to be published in the Economic and Monetary Review of London stockbrokers *Laing and Cruickshank* next month, Mr Cardona—a keen devotee of present government policies of "sticking firm"—says reflation would have only a minimal impact on unemployment by the next election.

It would however push up both inflation and interest rates. If the Government stuck to its present strategy, it could realistically hope for a "healthy" inflation rate of around 6 to 7 per cent by the next election.

Mr Cardona, who was attached to the office of Mr Nigel Lawson, former Financial Secretary, departed from the Treasury in September when Mr Lawson became Energy Secretary.

He says in the article that unintended inflation could take place if borrowing by local authorities and nationalised industries overshoots.

Reflation through extra public borrowing might mean, by the next election, unemployment of 2.8m instead of 2.9m or 2.7m instead of 2.8m. "To suppose a grateful public would re-elect a Conservative Government in such circumstances is naive nonsense."

Moves to expand the economy could trigger a sterling or funding crisis. Higher interest rates would arise that would make recent levels of 16 to 17 per cent look "positively pleasant."

Clearing house take-over is stalled by row over price

BY DAVID MARSH

BRITAIN'S clearing banks are on the verge of an embarrassing dispute involving the Treasury and the Bank of England over their planned take-over of a company due to play a key role in London's ambitious new financial futures market.

The banks are complaining that the initial asking price for the International Commodities Clearing House they are proposing to buy is about twice as high as they think is reasonable. The ICCH is owned by the Trustee Savings Bank.

The new ownership plan for ICCH, which provides clearing facilities for commodity markets, is vital to the success of London's financial and gold futures markets, planned to start next year.

Further delays on the shareholder restructuring—which has already dragged on for months longer than participants would like—could deal a damaging blow to the international prestige of the City. There is already virtually no prospect of agreement before the New Year.

The Bank of England has insisted that ownership should be transferred to the clearing banks to guarantee financial solidity because ICCH has been chosen effectively to underwrite the contracts to be traded on the financial futures exchange.

The banks fear that the Treasury—which is ultimately responsible for the TSB—may be exerting quiet pressure that the price should be as high as possible. The Treasury maintains the matter is simply a commercial question for the TSB. Proceeds of the sale will go to the TSB's reserves, not to the Government.

Under the restructuring plan announced after months of preliminary negotiations in August, ICCH is to be sold to a consortium of five London clearing banks

In initial soundings between the merchant banks acting for the two sides, Lazards (for the TSB) and Schroders (for the clearing banks), a value of around £80m has been put on ICCH. Based on the company's post-tax profits of around £4.5m, the banks say ICCH is worth only around £30m-£35m, although there is some feeling that £40m-£50m might be acceptable.

The banks' lack of enthusiasm for the asking price is influenced by the possibility that they will be asked to subscribe new capital—perhaps as much as £20m—to bolster the present capital of £15m. Lack of agreement on the takeover could prompt the London International Financial Futures Exchange, which plans to start trading in September in the Royal Exchange building, to change its plans for clearing facilities.

ICCH was chosen earlier this year to provide these. But Mr Michael Jenkins, the Exchange's managing director, said at the end of last week that other solutions not involving ICCH might have to be found if the financial backing of the company were not resolved.

Another compromise solution put forward by the banks would be for the ICCH shareholding to be left unchanged, with a separate consortium of banks and insurance companies set up to guarantee the workings of the financial futures market.

Pitman family back at company helm

BY DUNCAN CAMPBELL-SMITH

THE FOURTH generation descendants of Sir Isaac Pitman, the early Victorian inventor of Pitman's shorthand, have reasserted the family's boardroom control over the international printing and publishing company which their great-grandfather founded in 1840.

Five Pitman cousins now head a restructured 10-man board. Though retaining 95 per cent of the equity, the family has allowed outside directors to guide the company's fortunes since the mid-1960s. "They helped us bridge a generation gap," said one of the cousins on Friday.

That business remains wide-ranging, with interests in educational publishing, shorthand, secretarial and language teaching as well as book printing and manufacturing.

Recent management changes include the retirement of Mr Hugh Lawson Johnston, chairman since 1973, and the resignations of Mr Donald Davis, former managing director, and Mr Ian Donald, who until the beginning of September had spent two years preparing to assume the chairmanship.

Mr Lawson Johnston was understood to have postponed his retirement for two years to help smooth the way for Mr Donald, who is a senior executive of GKN.

The connection between Mr Donald's sudden departure and the board changes since September is not clear. Mr Lawson Johnston retired as planned at the annual meeting on September 9. He was succeeded last week by Mr Peter Pitman, formerly the deputy chairman.

Pitman incurred a pre-tax loss of £936,000 for the year to last March 31. The board anticipates a return to profitability in 1981-82 after a recovery in the first half.

Textile machinery industry 'declining'

By Nick Garnett, Northern Correspondent

TEXTILE MACHINERY manufacturers experienced a serious decline in average return on investment in the past few years, and faced further difficult trading and an uncertain future, according to a report published today.

The report analyses 98 textile machinery manufacturing and distribution companies. It says the knock-on effect of the decline in textile production has been serious.

It distinguishes, however, between makers, whose performance slumped badly, and distributors, whose profit margins are four times higher, and whose return on investment is almost eight times higher than those of the makers.

The report is by ICC Business Ratios, a management information company. It covers three years to mid-1980. The company said yesterday the forecasts in its report for this year appeared to have been borne out. The sector's overall position had if anything worsened this year.

ICC concludes investments in advanced machinery, will be the major and perhaps only base from which makers are likely to obtain sufficient margins to return profits to adequate levels.

It also says there appears to be a core of well-managed companies willing to change. They show sales and export growth in a difficult period.

In spite of a 38 per cent sales increase between 1977 and April 1980, most companies could not improve margins, owing to fierce overseas competition and sterling's high level.

The average return on investment for the makers and distributors as a whole fell from 5.5 per cent to 3.2 per cent.

Textile Machinery Manufacturers and Distributors; ICC Business Ratios; £95.

Trouble afoot for shoes

Anthony Moreton on an industr[y] being trampled by cheap import[s] and the downturn in the econom[y]

THIS WEDNESDAY morning representatives of workers and management of C. & J. Clark will meet at the company's headquarters in Street, Somerset, to discuss shedding 1,000 of the 8,000 workforce.

The crisis at Clark, Britain's biggest shoe manufacturer—turnover £331m last year—is one that has hit the whole of the British footwear industry. To an extent it has hit most of Europe too, with the possible exception of Italy.

Last year was the worst in the industry for at least 20 years; there are some who say it was the worst since the war. The British Footwear Manufacturers' Federation says 220m pairs of shoes were supplied in Britain in 1980 compared with 240.4m the previous year—the sharpest single drop since 1963.

Furthermore, British suppliers accounted for only 114.5m pairs compared with 172.6m as recently as 1973. In the same period imports have gone up from 79.6m pairs to 105.6m.

Inevitably, the result has been contraction. The industry's workforce at the end of last year was 68,800 compared with 88,400 in 1972 and it is set to fall further even without redundancies at Clark.

There have been a number of closures since, including the collapse of Norvic early in July which cost about 350 jobs, most of them in Norwich, one of the centres of the industry. The downward trend was therefore continued this year, although the civil servants' strike at Customs and Excise has obscured the figures.

It is known, though, that by July one in 10 jobs had been lost compared with a year earlier. By August manufacturers' deliveries were 9 per cent down over the year and in the single month of September (not, admittedly, any sort of guide) imports were 14 per cent *higher by volume than in September* 1980 and 30 per cent higher by value.

From such figures of international trade as can be gleaned, import volumes from Italy, Germany and France rose 30 per cent between January and June compared with the same period last year.

Everyone admits that such statistics spell serious trouble. What makes the position more difficult is that children's shoes, the one sector which has held up reasonably well so far, is now also feeling the cold.

The industry claims the main reason for deterioration is the high sterling exchange rate last year, especially against Continental currencies. This made import prices more competitive, and as a lot of buying is done on price, especially among men's shoes where fashion is less important than with women's shoes, it has been easy for shops to switch orders abroad. General over-supply throughout the world has facilitated such switching.

When the pound was hovering around $2.40 the industry says that a lot of orders were placed in the Far East. It remains to be seen whether the lower exchange rate prevailing this year has choked off foreign buying.

However, the strength of sterling and the recession are not the only factors that have dragged the industry down.

The British industry has been criticised for lacking style consciousness and for not installing new machinery. Furthermore, about two-thirds of the UK industry makes to order, being dominated by a small number of large retail outlets which tends to dampen innovation.

One of the consequences of the retail trade being in few hands is that small firms, which tend to have more imagination about fashion, find it more difficult to get their goods accepted.

UK IMPORTS 1980

	Per cent
EEC	36.4
Italy	29.6
France	4.3
Other	2.5
Other Europe	11.8
Spain	5.0
Poland	3.6
Portugal	3.2
Far East	40.8
S. Korea	11.1
Hong Kong	10.9
Taiwan	6.8
Malaysia	3.2
India	3.0
Other	5.8
Rest of World	11.0
Brazil	3.8
Other	7.2

Source: British Footwear Manufacturers' Federation

Ten buyers are said to acco[unt] for half the orders placed [in] Britain.

External factors have [also] played a considerable part [in] the crisis. Although it has [not] yet been proved to the satis[fac]tion of the EEC Commiss[ion] there is a strong presump[tion] that Poland is dumping sh[oes]. And it is widely considered [that] Brazil has been subsidising [its] export prices.

India is another cou[ntry] beginning to loom in the mi[nds] of the British indu[stry]. Although its share of the [UK] market is relatively low (3 [per] cent last year) it is growing.

The whole matter of [Far] Eastern supplies is causing [con]cern. Italy may be the lar[gest] single importer (29.6 per [cent] of UK imports) but the [Far] East imports from low-[cost] suppliers last year accou[nted] for 40.8 per cent of the to[tal].

Protection

This rise in supplies [from] places like South Korea, [Hong] Kong, Taiwan and Mala[ysia], mirroring what has happene[d in] textiles and clothes led [the] Footwear Economic Deve[lop]ment Committee last yea[r to] call for some arrangement [to] bring about orderly marke[ting] —in other words, protectio[n].

It specifically suggeste[d a] Multi-Footwear Arrangemen[t to] parallel the Multi - F[ibre] Arrangement which has bee[n in] force since 1974 under [the] auspices of the General Ag[ree]ment on Tariffs and Trade. [It] was immediately vetoed by [the] Government, even thoug[h it] wholeheartedly backs the [tex]tile arrangement.

It has also been sugge[sted] that the temporary short-[time] working compensation sch[eme] might be strengthened and [con]tinued (Clark itself is, with [the] exception of its Weston fac[tory,] on a four-day week) and [that] companies should give gre[ater] priority to investm[ent,] especially in new technolo[gy].

The Footwear Committee [has] brought manufacturers [and] retailers together, w[hich] appears to be having bene[ficial] effects. But this cannot g[et at] the deep-seated cause of [the] crisis. Only an upturn in [the] economy can fundamen[tally] reverse the downturn in [the] industry.

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Telephone 542859 Telegraphic Address BARCLAYREP LISBON.

COMPANY NOTICES

(Free translation of the official French text)

UNION MINIERE

Société Anonyme

Registered Office:

rue de la Chancellerie 1, Brussels

Brussels Registre du commerce No. 13.377

NOTICE TO SHAREHOLDERS

Shareholders are invited to attend the Extraordinary General Meeting which will be held on Tuesday 24th November, 1981, at 2.30 p.m. in the Office of the "Société Générale de Belgique," 30 rue Royale, Brussels.

AGENDA

[illegible]

THE BOARD OF DIRECTORS

BRASCAN LIMITED
(Incorporated under the laws of Canada)

NOTICE IS HEREBY GIVEN that the Board of Directors of this Company has declared a quarterly dividend of forty cents (40 cents) per share (in Canadian funds) on the Company's Class A, Class B and Class C Convertible Ordinary shares without nominal or par value, payable January 29, 1982, to shareholders of record at the close of business on December 31, 1981.

The dividend payable on Class A Convertible Ordinary shares represented by share warrants to bearer will be paid only against surrender of such bearer warrants (with coupons serial Nos. 154/160, both inclusive with talons attached) in exchange for Bearer International Depositary Receipts issued by Morgan Guaranty Trust Company of New York at Brussels, Belgium in respect of Class C Convertible Ordinary shares of the Company or for registered share certificates of the Company. Bearer Warrants (with coupons serial Nos. 154/160, both inclusive and talons attached) may be surrendered for exchange to:

C. I. K.
59 Rue de Namur,
1000 Brussels
or
Morgan Guaranty Trust Company of New York
35, avenue des Arts
1040 Brussels.

Dated at Toronto, Canada, the 9th day of November, 1981.

By Order of the Board,
L. A. ALLEN,
Vice-President and Secretary.

The transfer agents of the Company are National Trust Company, Limited, Toronto, Montreal, Vancouver, Calgary, Winnipeg and Halifax, Canada, and Citibank, N.A., New York, N.Y., U.S.A. Changes of address should be notified promptly to National Trust Company, Limited at 21 King Street East, Toronto, Canada M5C 1B3.

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Coupons cannot be accepted through the post.

for THE BANK OF TOKYO, LTD.
K. GOTO,
Resident Managing Director for Europe and General Manager
London Office

16th November 1981.

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COLNAGHI ORIENTAL and Sharley Ltd. at 14, Old Bond Street, London 01-491 7408: ONE THOUSAND Y[EARS] OF ART IN JAPAN, from 21 O[ct.] until 27 November. Mon.-Fri. 10-[...] Sats. 10-1.

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BI set to decide working party help jobless

BY ɪɴ ELLIOTT, INDUSTRIAL EDITOR

.S of the Confedera- British Industry are decide on Wednesday ıp a special working examine possible steps anies to help relieve ment.

will consider inviting to join the working even though their nip has been soured in months by disagree- er-labour law reforms.

ea of a working party g the TUC emerged at 's annual conference bourne (two weeks egates overwhelmingly a resolution propos- move from Mr Chris- ailey of Bristol Chan- Repairers.

ence debate also in- hat the CBI wanted its o be more publicly out- bout demands that the ent help industry rom the bottom of the by cutting National e surcharge and ng key industrial pro-

ıes by two senior industrialists—Sir Adrian Cadbury of Cadbury Schweppes and Mr Ronnie Utiger of British Aluminium—demanded Government action and an outspoken approach.

It remains to be seen if Wednesday's meeting of the CBI's policymaking council will adopt the conference's ideas. Council members will probably feel under considerable political and moral pressure to accept the proposed unemployment working group even though many may be sceptical about its chances of achieving much.

But there may be considerable opposition to the idea of attacking the Government on industrial issues because of staunch support for the Conservative Party in the council.

The Prime Minister has told Sir Ray Pennock, CBI president, and other CBI leaders *that* they will *not* win concessions by criticising her in public. This has led Sir Ray to keep CBI meetings with her and other Cabinet ministers secret since the thwarted "bare knouckle" fight threat a year ago.

BP N. Sea oil reserve estimates may rise

By Ray Dafter

BRITISH PETROLEUM has hinted that the recoverable reserves in two of its North Sea oilfields may be substantially higher than previous forecasts have indicated.

Mr David Walker, chief executive of BP Petroleum (UK), said recoverable reserves in the Buchan Field look like being appreciably more than the initial estimate of 50m barrels.

Since the field was commissioned in May, he said, production had averaged 37,000 b/d and had reached its designed capacity of 75,000 b/d. But it was too early to gauge the amount of oil that would ultimately be produced.

BP is also optimistic that its £1.3bn Magnus Field development—the most northerly in the North Sea—will yield more than originally estimated. Dr Peter Lane, BP's general manager for the Magnus project, said that eventually the company would probably extract more than the 450m barrels stated recoverable reserves.

The Magnus Field is due to come on stream in 1983. By the fourth quarter of that year it should be yielding its peak output of 120,000 b/d.

The fall and rise of Barnsley's collieries

Britain's coalfields are being revived following a painful decline in the 1960s. Here **Martin Dickson** cites the example of one NCB area

A REMARKABLE renaissance is taking place among the elderly collieries surrounding Barnsley—and the fall and rise of this South Yorkshire mining area epitomises the resurgence of the UK coal industry as a whole.

The local collieries, in steep decline until the early 1970s, are being reborn under a £455m capital investment plan which is part of the National Coal Board's wider, multi-billion pound programme to expand production.

The Barnsley area—one of 12 into which the NCB divides the country—is enjoying a higher rate of investment than any *other existing British field.*

Capital spending there now runs at £2m a week—on a par with the much better known Selby project in North Yorkshire, which involves a £1bn network of new pits on a green field site.

To the chagrin of some Barnsley officials, it is dramatic new projects like Selby that tend to grab the headlines, yet *the schemes under way* in Barnsley—concentrating on rejuvenating elderly, existing pits —are, in many respects, more typical of the Coal Board's programme.

Of the £2.7bn the NCB has spent since 1974 on capital projects, only £340m has gone on developing new collieries.

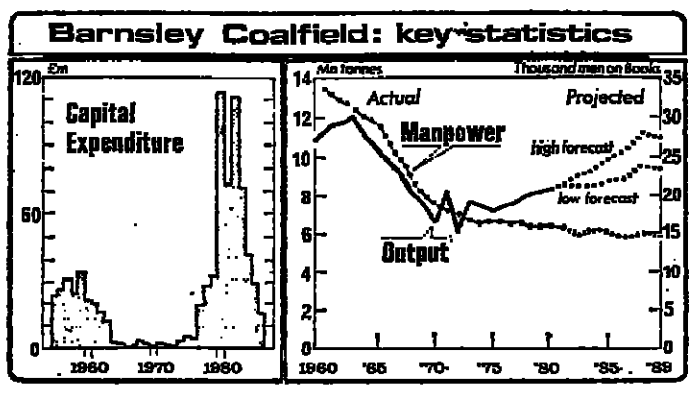
Until the 1973-74 oil crisis the Barnsley coalfield—like the NCB as a whole—seemed set for painful decline. Local output had dropped from 11m tonnes in 1960 to around 7m *tonnes as coal's UK markets* were taken over by cheap oil. Manpower fell from 33,500 to around 16,000.

However, the quadrupling of the oil price and the resultant new NCB capital investment programme mean that Barnsley is now steadily expanding. Production should rise from 8.4m tonnes this year to 10m to 11m *tonnes by the late 1980s.*

Why should there be so much action in Barnsley, given that its coal seams are relatively thin and that it is one of Britain's oldest fields?

"We just seized our chance," says Mr John Keirs, the area director. "We had a tradition of a good work force with good industrial relations and had shown good results in the past, despite our seam conditions."

The Barnsley rejuventation programme, which began in 1976 and will end in the middle of this decade, involves four *key elements:*



● Its old, existing collieries are being rehabilitated. New shafts are being sunk and new surface facilities installed. For example, at Darfield Main, reserves are due to run out in about three years. To reach a new seam the NCB will have to deepen a *shaft filled with rubble when* the coalfield seemed set for a decline.

● Three new "drift" mines, offering some of Britain's best productivity: Royston, which came into operation in 1976 now holds the world record for coal-face productivity: Kinsley, yet to reach full production: and the recently approved Calder, due to come on stream in 1985.

Drift mines have sloping entry tunnels, allowing easier access than vertical shafts.

● Coal transport systems are being revolutionised. At present, the coal is usually *hauled to the surface up* vertical shafts at each of the 18 pits. This caused frequent bottlenecks.

In future the coal will be brought up at three places only —along drift tunnels being sunk at Grimethorpe, Woolley and South Kirkby. It will travel to the drifts along a complicated network of underground conveyor belts. More than 23 miles of tunnels are being built to link the collieries.

● Once on the surface, the coal will be fed into three new computer-controlled washeries, said to be the most modern in the world. These will be able to blend it for any market—relatively low quality for power stations to high quality for the steel industry. This plant will cost more than £70m.

Coupled with an agreed trimming of manpower by around 2,000 over the life of the programme, the plan should boost the area's productivity to 3.4 tonnes a manshift by the end of 1985, compared with 2.62 tonnes last year and a national average of about 2.3.

"That should put us in the top two or three areas," says Mr Keirs, "and we'll be one of the most profitable too."

However, a shortage of funds during the past year has meant an investment slowdown which, in turn, will delay the return to profitability.

The area is expecting operating losses of nearly £20m this year but aims to turn this into a profit of a similar amount—in 1981 pounds—by 1985-86. That does not take account of interest charges. Even so Mr Keirs insists "we will be making a real profit at the end of the day."

But will the area be able to sell all it produces? The recession has slashed demand and the NCB, which is adding steadily to its stockpile, can see little sign of an upturn during the next few years.

Barnsley seems to be escaping lightly, selling all it produces.

This jaunty self-confidence epitomises the expansionary side of the NCB as it pours investment into coalfields with a long life ahead.

There is another side, however, the painful process of closing pits in heavy loss-making areas with worked out reserves. Barnsley's optimism presents a stark contrast to the gloom that envelops the South Wales field.

ːdical Research Council boost commercial links

ɅVID FISHLOCK, SCIENCE EDITOR

ːDICAL Research Coun- gotiating more contracts ommercial companies o the controversial one with Celltech, the new biotechnology company. ıl researchers have cri- he Celltech contract as commercial pressure on " research programme. Medical Research Coun- it hopes to expand its al research programme help of royalties from discoveries by Celltech. bstantial part" of any from Celltech will be the Celltech Fund, set e council—with govern- proval—to finance addi- omedical research.

year the council spent ıan £7m of a total re- expenditure of £85m in ːas directly related to 's interests—cell and esearch £3m), and the system (£4m).

ch is a venture capital y specialising in bio- ıgy, set up last year by ional Enterprise Board, ubstantial private invest- Dr James Gowans, the s secretary, is on the Celltech.

ch's first products, based h in the council's labora- molecular biology at ge, are already on sale U.S. These are mono- ıntibodies, a new and re form of antibodies, are finding important uses in the diagnoses of disease and the purification of drugs.

Celltech's contract with the council runs for five years, but it is not exclusive and does not preclude research collaboration between the council and other companies. If the research is of potential interest to Celltech, however, the council must first consult the company.

The council's annual report states that it has "attached particular importance to training scientists for biotechnology, both for research laboratories and for industry." Ten additional research studentships have been provided

The council has also regained control of a substantial portion of its research budget, dealing with health care, which has been controlled by the Department of Health since the mid-1970s, following the Rothschild plan for reorganising government research. But in return the council has agreed to continue with an enlarged health care research programme.

Such a programme, originally resisted by the council, was the reason why it lost control of part of its budget.

Last year the DHSS provided £13m and the Scottish Home and Health Department £1.8m towards a total expenditure by the council of £93m.

Medical Research Council annual report. SO, £4.

ımputerised gift shops

ɅYMOND SNODDY

company is applying r power to the problem nt buying.

Gift League plans to chain of High Street ops with a computer connected to a data- thousands of gift ideas.

me running out of time wse through folders of gories and seek advice ff. The gift could be in a particular restau- a particular town, a set of driving lessons in the recipient's locality, or a weekend in Paris.

The purchaser receives a form of gift voucher and a personal message from a word-processor which is sent to the recipient *with details of stockists or providers of* services.

"We intend to do for the whole range of gifts what Interflora has done for flowers," Mr Cliff Prichard, chief executive of The Gift League, said.

ɜank of India

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the following annual rates will apply:

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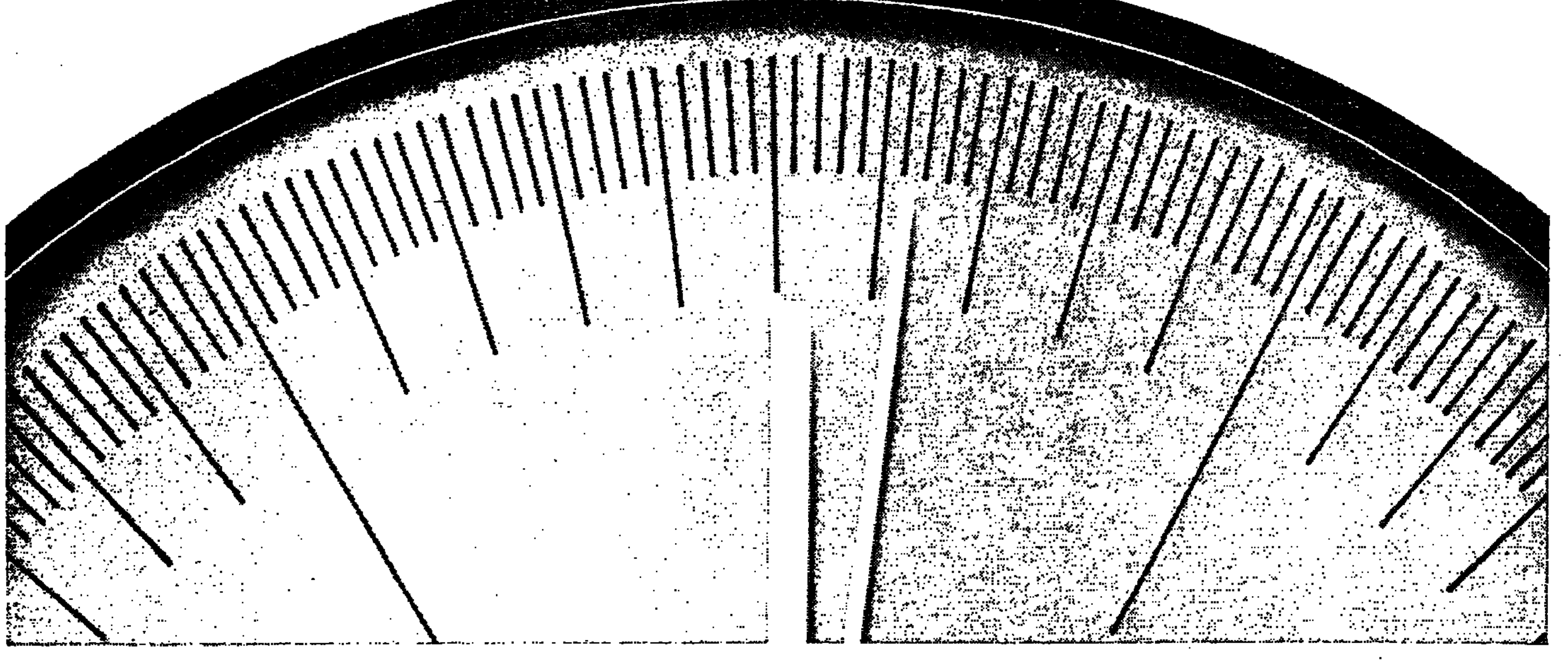

Fall of 3% in output forecast for 1981

By Our Banking Correspondent

UK OUTPUT is expected to have fallen by 3 per cent this year but will rise by ½ per cent in 1982. Output in the first half of next year is forecast to drop by 1 per cent and increase by 1½ per cent in the second half.

These predictions are contained in the latest quarterly issue of Charterhouse's Business Forecast which assumes that there will be an expansionary budget next year. However, the group forecasts that unemployment will reach 3¼m by early 1983 and remain above 3m.

Charterhouse says that the major wave of stock-cutting has come to an end, which will "contribute substantially to a changed tempo in the total output of the economy next year."

On inflation, Charterhouse forecasts that labour costs will continue to decline and price rises, averaging 11-12 per cent year on year in coming months, will drop back to single figures later next year.

A cut in employers' national insurance surcharge is an option in the 1982 Budget along with increasing income tax allowances. The group warns that it might be prudent to assume that exchange controls are reimposed in some form and this could possibly involve a restriction on industrial investment overseas.

Banks' staff fear for independence

BY OUR BANKING CORRESPONDENT

STAFF of the Royal Bank of Scotland Group are uneasy over the implications of two rival £500m takeover bids. And their fears are likely to be heightened by a report that one of the suitors, Standard Chartered Bank, plans to seek much more integration between the group's two constituent banks — the Royal Bank of Scotland Ltd and Williams and Glyn's Bank.

The staff of Williams and Glyn's Bank have been reportedly particularly concerned about the effect a takeover would have on the independence of the English bank, which operates completely separately from the Scottish bank.

Mr Peter Graham, chief executive of Standard Chartered Bank, the preferred suitor of the Royal Bank of Scotland's board, says in the latest issue of Retail Banker International, that the two banks within the Royal Bank group have "not been doing as much as they could have been on an integrated basis." He added: "We would like to get the two banks working much more closely together."

The fear among some Williams and Glyn's staff members is that any integration could threaten such things as the bank's international department and reduce job opportunities.

In contrast, Mr Michael Sandberg, chairman of Hongkong and Shanghai Banking Corp, the rival bidder, stresses that he would keep both banks separate.

On the question of integration he says: "I don't think the two banks want it. There may be places where there is some duplication of overheads, but they are two distinct banks serving distinct clientele. You can't just knock people on the head and say you've got to get together. That is why we talk about a partnership rather than a merger. There is a world of difference between the two."

The two bids were referred to the Monopolies and Mergers Commission on May 1, 1981. Because of the complexity of the bids, the Commission was granted a three-month extension for its investigation and has to report before the end of next January.

It is believed the report will be sent to the Government next month.

● A total of 24 foreign banks opened offices in the City of London over the past year, bringing the total number of foreign banks directly represented to 355. Another 65 banks are indirectly represented through links with London consortium banks.

Bank and building society in joint plan

BY ALAN FRIEDMAN

WILLIAMS AND GLYN'S Bank is having talks with "a major building society" to develop a cheque-cashing and cash-dispenser system for the bank's customers. The move could pave the way for the first trading link between a building society and a clearing bank.

Mr Rob Farley, the bank's executive director in charge of domestic banking, said such an arrangement would give Williams and Glyn's the chance "to go to places where we are not now located much more cheaply than by opening an orthodox branch."

Discussions were informal and tentative, Mr Farley said, though the idea was a definite option.

Williams and Glyn's, with 312 branches, is the smallest clearing bank. Mr Farley said one reason for a reciprocal arrangement would be to increase the bank's market-share from its current level of between 2 per cent and 3 per cent.

"To the degree that we want more outlets, we look at people who have natural outlets. That leaves supermarkets or building societies," he said.

Mr Farley would not name the building society but said it had about 120 branches.

One option under consideration would allow Williams and Glyn's cash-dispensers to be installed at the society's branches, enabling customers of both bank and society to draw funds.

The bank's current account customers might be allowed to cash cheques at the society's branches. This option would help the bank to cope with the introduction by Barclays and other banks of a 50p charge for cheque-cashing.

Mr Farley said that while the whole business of the 50p charge had prompted consideration of new options, Williams and Glyn's was not worried about its effect on its 350,000 current-account customers.

A new relationship was something the bank might form "as an aggressive move." It would be part of its growth strategy, which included installation of 150 cash-dispensers in its branches by the end of next year.

Mr Farley said that while the bank was proceeding with its range of options to increase market-share, its plans could be affected by the outcome of the bids battle for the Royal Bank of Scotland group, Williams and Glyn's parent, between the Hong Kong and Shanghai Banking Corporation and the Standard Chartered Bank.

Casino lobby asks Whitelaw to clarify Gaming Act

BY MICHAEL THOMPSON-NOEL

THE British Casino Association has written to Mr William Whitelaw, the Home Secretary, asking for clarification of the law on casinos. It says casino operators have to grapple with major problems of interpretation and of application of the law relating to their acceptance of clients' cheques.

No operator forced out of business in the past three years lost its gaming licence for offences related solely to the giving of credit or the acceptance of cheques. None the less the association says the courts have had no opportunity to provide definite interpretations of the law relating to the acceptance of cheques under section 16 of the Gaming Act 1968.

The Gaming Board said it could make no comment before Mr Whitelaw had replied to the association.

Britain has about 120 casinos. In the past three years eight of these closed because of the loss of licences by three operators. These included Ladbroke and Coral. All were in London. Another five casinos, all in London, are under threat from pending or expected proceedings. They include those of Playboy.

The Casino Association said it was apparent from the introduction of the 1968 Act that the Act would eventually need adjustment. It says the Act was largely experimental in that neither the Government nor parliament had at the time any real experience of dealing with a volatile business like gaming.

The association said the provisions of the Act which caused most difficulty were those relating to use of cheques (section 16), to admission (section 12) and to the ban on advertising (section 42).

"The last two have been largely resolved but the first, governing acceptance of cheques, leaves major problems of interpretation and application," it said.

The Act, it said, must be recast so that its demands and provisions were made crystal-clear. "Section 16 is essentially a ban on credit. But what is 'credit.' And what is a 'cheque'."

Women 'no[w] choosier about husbands'

By Sue Cameron

BALD, bearded men from Bi[rm]ingham who are still bache[lors] at a certain age are likel[y to] have a tough time persua[ding] women to marry them, acc[ord]ing to a survey by the Hea[ther] Jenner Marriage Bureau.

Many men in the Midl[ands] are seemingly desperate to [get] married—certainly much ke[ener] than unattached women in [the] area. Midlands women are n[ow more] demanding about pote[ntial] spouses than they were 10 y[ears] ago and as a result take m[ore] time to select husbands.

The survey was based o[n a] study of 800 couples w[hose] marriages had been m[ade] through the bureau. [The] women's movement, acco[rding] to the survey, has had a m[ajor] impact.

Women now expect marr[iage] to be much more of an e[qual] partnership. In 1971 [women] expected to be the "hom[e maker"] and "make all the [...] decisions." Today the wo[man] "is allowed her own ideas [and] puts them forward as [an] equal." Men have become [...] nervous of meeting "brai[ny"] women.

The survey says more wo[men] now want to marry for [love] than for practical reasons [such] as money.

Cuvee auction prices up 40%

By Edmund Penning-Rowsell

PRICES for red and [white] cuvees at yesterday's aucti[on of] the Hospices 1981 wines [were] about 40 per cent up on [last] year. This reflected the publicised, if not yet pro[ven,] established reputation [in] France of the Burgundy vin[tage.] The whites are acknowledg[ed to] be superior to the some[what] light reds and the vinta[ge is] generally short, particu[larly] among the red wines.

Only 500 casks were avai[lable] for sale compared with 65[0 last] year. The highest price [for a] red cuvee was FFr 35,00[0 a] cask for the Mazis Chamb[ertin] Madeleine Collignon. Fo[reign] rather than domestic b[uyers] dominated, notably the Swi[ss.] One lot of Meu[rsault] Genevrieres were bough[t by] Averys of Bristol in conju[nction] with Andrew Lloyd-Webbe[r, the] composer.

Big advance in photographic retail market

By Sue Cameron

CONSUMER spending on photography — cameras, films, developing and printing—will rise by 34 per cent in Britain this year, to £550m, a report by Key Note Publications, a market analyst group, forecasts.

The increase would mark a dramatic doubling of the annual rate of the UK photographic market. The report states that since 1977 spending on photography has risen by only some 16 per cent to 17 per cent a year.

Although no figures are yet available, the Royal Wedding will almost certainly have boosted sales of both cameras and films.

The report adds that a trend towards an annual increase in volume sales of film is already established and "seems set to continue." It also quotes a National Opinion Poll survey which found that 25 per cent of people in Britain do not own any photographic equipment.

This was the "potential market which most of the camera manufacturers are now attacking."

Despite the substantial increase in predicted sales, however, Key Note says competition is fierce and dealers' margins are being squeezed.

BL dealer network to have computer link

BY JOHN GRIFFITHS

BL's NETWORK of 1,700 dealers is expected to be on a direct computer link to the company by the end of next year.

Viewdata terminals have already been installed in about 300 outlets. They allow a dealer seeking a particular car to key in to BL's central computer at Redditch to find out what vehicles are being stocked at all other dealers in the country.

The facility works even if the other dealers are among the 1,400 not yet on the system, or whether they want their colleagues to know what stock they are carrying.

This facility—called Stock Locator—is, however, regarded as just a first step. For not only can BL use the system to seek all types of information from its dealers, car salesmen also use it as a sales aid.

For example, prices, specifications, even comments on vehicles by the motoring press, can be called up for customers to view in showrooms.

The system is also expected to cut operating costs by reducing paperwork and mailing costs.

Talks are also going on with BL's components arm, Unipart, about extending the system to parts with terminals installed in retail outlets.

BL believes it has a lead of 18 months, although other major car networks are expected to start their own systems in the next few years.

BL decided to launch the system in December 1979 with the first trials—among 25 dealers—getting under way a year later. The scheme was set up in conjunction with Philips Business Equipment and Viewdata Business Systems.

Philips says it represents the first major terminal order in the world for a private system on this scale.

BL admits it has had a communications problem identifying stocks in the past. "Under the old manual system," says Mr Geoff Hutt of BL Systems, which developed the project, "listings could be up to two weeks out of date. The new system is updated every three days."

When trials began one Glasgow dealer refused initially to have it installed. He changed his mind when the computer found a particular version of the Austin Allegro he wanted. It was the only one in the country, at a dealership only five miles away.

The point of the story, says Mr Hutt, "is that a dealer can no longer hide stock. Some dealers do hang on to cars for various reasons—there are all kinds of new MGs up on blocks for investment purposes, for example."

But if the reasons are not good ones, and in effect a sale is being held up which could be made elsewhere, BL clearly is in a position to pressurise a stockist into passing it on.

The overall effect says BL has been very positive. Because specific cars can be located quickly, dealers are reporting increased sales.

The system is being operated on a rental basis, of £280 per annum for the terminal itself, and £240 a year to BL. This is roughly equal to the profit margin on one small new car.

Capacity proposals sent to steel castings companies

BY ALAN PIKE

DETAILED PROPOSALS for a self-financed reduction of capacity in the steel castings industry have been sent to companies with a request that they confirm agreement by next Friday.

Lazard Brothers, the merchant bank which organised the scheme on behalf of the industry, has told companies that it believes an acceptable arrangement can be agreed upon. Companies which volunteer to close capacity will be compensated by a levy on those that remain in business.

In the general steel castings sector, companies representing only 11 per cent of total tonnage have so far indicated firm willingness to close. Yet a reduction of 25 per cent is the ideal target of the scheme.

The Department of Industry has agreed that the Lazard plan will be regarded as a rationalisation scheme under the Income and Corporation Taxes Act, 1970. This means that all payments under the scheme will be treated as allowable deductions for tax purposes.

It is generally agreed that capacity in the steel castings sector is considerably in excess of existing needs. One of the objectives of the Lazard scheme is that it should allow rationalisation to be planned in a way which preserves a balanced industry.

On the timetable envisaged by Lazards, the scheme will come into operation around the New Year, with closures by the end of March.

Legal uncertainty blamed for falling motorcycle sales

BY JOHN GRIFFITHS

SALES of powered two-wheeled vehicles in Britain are expected to be down just over 14 per cent this year at 270,000 according to latest industry forecasts.

The drop is attributed mainly to uncertainty over forthcoming legislation affecting the maximum capacity of motorcycles which learners and young riders will in future be able to ride. The current maximum is 250 cc, but this is to be reduced to 125 cc next year.

According to the Institute of Motorcycling, however, many learners, who are concentrated heavily in the 16 to 18 age group, are still not fully aware that anyone buying a 250 cc machine will be able to ride it until the end of September next year. This, says the Institute, would allow adequate time for the riding test to be taken.

The effect of the uncertainty is that manufacturers have rolled back prices of 250cc machines, which have become difficult to sell.

Sales of all powered two-wheelers in the first 10 months of this year were 250,000, compared with 290,000 last year—a drop of just under 14 per cent. Sales of motorcycles alone, however, were down by 19 per cent, and scooters by 30 per cent.

The only group to have gained ground is mopeds, 82,310 of which have been sold in the first 10 months of 1981 — a gain of 1 per cent.

Although well down on 1980, sales this year compare favourably with other recent years. Last year's total of 315,000 two-wheelers sold was the highest for about 20 years.

N.V. KONINKLIJKE NEDERLANDSCHE PETROLEUM MAATSCHAPPIJ

Established at The Hague, The Netherlands

(Royal Dutch)

GENERAL MEETING OF SHAREHOLDERS

to be held on Thursday 10th December, 1981, at 10.30 a.m. in the "Nederlands Congresgebouw", 10 Churchillplein, The Hague, The Netherlands.

AGENDA:

Appointment of a member of the Supervisory Board.

The nomination for the appointment, listing Mr. J. Zijlstra first and Mr. O.C. Fischer second, is available for inspection by shareholders at the Company's office, 30 Carel van Bylandtlaan, The Hague.

A. Holders of share certificates to bearer may attend and address the meeting in person and exercise voting rights if their share certificates, or evidence that their certificates are held in open custody by De Nederlandsche Bank N.V., are deposited against receipt not later than 4th December, 1981, at one of the banks mentioned below, viz.:

In the Netherlands
Algemene Bank Nederland N.V.; Amsterdam-Rotterdam Bank N.V.; Bank Van der Hoop Offers N.V.; Bank Mees & Hope NV; Banque de Paris et des Pays-Bas N.V.; Kas-Associatie N.V.; Pierson, Heldring & Pierson N.V.

In Austria
Creditanstalt-Bankverein, Vienna; Österreichische Länderbank AG, Vienna; Schoeller & Co., Vienna.

In Belgium
Société Générale de Banque S.A., Brussels; Crédit Lyonnais, Brussels; Kredietbank N.V., Brussels.

In the Federal Republic of Germany
Deutsche Bank AG, Frankfurt/Main, Düsseldorf, Hamburg or Munich; Dresdner Bank AG, Frankfurt/Main, Düsseldorf, Hamburg, Munich or Saarbrücken; Deutsche Bank Berlin AG, Berlin; Bank für Handel und Industrie AG, Berlin; Deutsche Bank Saar AG, Saarbrücken.

In France
Lazard Frères & Cie, Paris.

In Luxembourg
Banque Internationale à Luxembourg S.A., Luxembourg.

In Switzerland
Schweizerische Kreditanstalt, Zürich; Schweizerischer Bankverein, Basle; Schweizerische Bankgesellschaft, Zürich; Bank Leu AG, Zürich; Pictet & Cie, Geneva.

In the United Kingdom
N.M. Rothschild & Sons Limited, London.

In the United States of America
The Chase Manhattan Bank, N.A., New York.

B. Holders of registered shares may attend and address the meeting in person and exercise voting rights if they make known to the Company in writing not later than 3rd December, 1981, their desire to do so:

with respect to shares of The Hague Registry:
at the Company's office at The Hague;
with respect to shares of Amsterdam Registry:
at the office of Algemene Bank Nederland N.V., C.K.E., P.O. Box 2230, Breda, The Netherlands;
with respect to shares of New York Registry:
at the office of The Chase Manhattan Bank, N.A., New York.

C. Holders of certificates for "New York shares", which are depositary receipts issued pursuant to an agreement dated 10th September, 1918, under which The Chase Manhattan Bank, N.A., is successor depositary, may attend and address the meeting in person if their certificates for "New York shares" are deposited against receipt not later than 4th December, 1981, at Algemene Bank Nederland N.V., C.K.E., P.O. Box 2230, Breda, The Netherlands, or The Chase Manhattan Bank, N.A., New York.

What is stated above with respect to the availability for inspection of the the nomination for the appointment likewise applies to holders of certificates for "New York shares".

POWERS OF ATTORNEY:

Holders of share certificates to bearer, holders of registered shares and holders of certificates for "New York shares" who wish to have themselves represented at the meeting by a proxy must not only comply with what is stated above under A, B and C respectively, but also deposit a written power of attorney not later than 7th December, 1981, at the Company's office, 30 Carel van Bylandtlaan, The Hague.
If desired, forms which as from today are obtainable free of charge at the Company's office and at the offices in the Netherlands and the head offices in foreign countries of the above-mentioned banks may be used for this purpose.

The Hague, 16th November, 1981 — The Supervisory Board

CONTRACTS AND TENDERS

NEW URBAN COMMUNITIES ORGANISATION

SIXTH OF OCTOBER CITY DEVELOPMENT AUTHORITY

1, ISMAIL ABAZA STREET, 6th FLOOR
CAIRO, ARAB REPUBLIC OF EGYPT
TELEX: 92571 MOHR UN, CAIRO, EGYPT

The Authority invites investors specialised in health care facilities for the construction, management and operation of an:

INTERNATIONAL SPECIALTY HOSPITAL
IN THE SIXTH OF OCTOBER NEW TOWN

The hospital will be established in the touristic area of the New Town, which is on the Cairo Fayoum desert road 17 km from the Pyramids of Giza. The city will be connected to 26th July Street, in the centre of Cairo by means of an elevated highway currently under construction. The hospital will be within 25 minutes of downtown Cairo. The main utility networks for the New Town are currently under construction.

The site, 190 m above sea level, enjoys an excellent climate most of the year. It is surrounded by vast open spaces and overlooking the Pyramids of Giza. It is favourable for those seeking to combine therapy with tourism.

The hospital is intended to be an integrated, specialised health care unit, accommodating an in-patient facility with 300 beds or more, which would focus on the specialised treatment of diseases and disabilities and meet the growing demand from well-off Egyptians, Arabs and Africans for such a facility, who see Egypt as the major medical centre in the Middle East.

The hospital must also include an out-patient unit to serve middle-income Egyptians. Further, a limited number of beds, to be agreed upon by the developer and city authority, may be set aside for use of Sixth of October City inhabitants. Interested proposers may obtain a copy of the Terms of Reference (TOR) at the Sixth of October City Development Authority. Offers are requested to be submitted before the 31st of January 1982. For any inquiry please telephone 21823.

GHANA NATIONAL MANGANESE CORPORATION

MINING CONSULTANCY SERVICES REQUIRED

Ghana National Manganese Corporation, a wholly owned Government Corporation, invites tenders from Mining Consultants to carry out the following programme at their Nsuta Manganese Mines.

(1) Up-dating and evaluation of ore reserves by means of a comprehensive drilling programme
(2) Development and Exploitation Plans for the reserves by (a) Open Cast Mining
(b) Underground Mining
(3) Determination of Minable Reserves by Open Cast and Underground Mining
(4) Determination of investment costs for Open Cast and Underground operations

Applicants are welcome at Nsuta for site checks on conditions and facilities at the Mine prior to submission of their tender.

Applicants should address tenders to the Managing Director, Ghana National Manganese Corporation, c/o Caemi International Ltd., Garrard House, 31/45 Gresham Street, London EC2, UK.

Closing date of tenders is 31st January 1982 and the reviewing panel for the tenders will invite applicants to London at an appropriate date in mid February 1982 for final selection.

INTERNATIONAL TENDER
FOR THE PURCHASE OF
ROAD CONSTRUCTION AND TRANSPORT EQUIPMENT
IFB No. T-02/74

The Provisional Military Government of Socialist Ethiopia, Ethiopian Transport Construction Authority announces the release of an international tender for the purchase of Road Construction and Transport Equipment. The Government has received a credit from the International Development Association towards the cost of the Second Agricultural Minimum Package Project and intends to apply the proceeds of this credit to eligible payments under the contracts for which this Invitation to Bid is issued, Interested Suppliers from member countries of the World Bank, Switzerland and Taiwan are invited to collect Bid documents during office hours from the Procurement Office, Room 106, of the Ethiopian Transport Construction Authority against payment of 10.00 Birr for each set of documents.
Bids will be opened in Public in the Conference Room, 4th Floor of the Ethiopian Transport Construction Authority Headquarters building on December 3, 1981 at 10.00 hours Addis Ababa time. The Authority reserves the right to reject any or all bids that are not in confrmity with all conditions and specifications mentioned in the Bid Documents.

ETHIOPIAN TRANSPORT CONSTRUCTION AUTHORITY

.ow over 'corrupt' union election

OHN LLOYD, LABOUR CORRESPONDENT

' has erupted between and right wings of the and Public Services ion over the conduct of ction for the crucial general secretary and r.

e and counter-charge of on and unfair tactics cing levelled. Early g has shown more sup- the left-wing candidate eral secretary, Mr John lie, than even his sup- had thought likely.

facreadie is thought to attracted substantial ies of votes in the tle social security and national savings two of the union's branches. The voting in v was reportedly 937 for :readie and 167 for Mr : Graham, the present deputy general secretary and the candidate of the centre-right.

The 7,500-strong membership at the Newcastle central branch—who are voting in batches—are showing a three-to-one majority for the left candidates.

But a number of CPSA officials pointed out yesterday that the larger branches are traditionally to the left, and that the bulk of the membership is in smaller branches who have yet to return their votes. The ballot closes on November 20.

Mrs Kate Losinska, right-wing president of the CPSA, which is the country's biggest civil service union, said last night she had received a great many complaints of irregularities in voting procedure. She said she would discuss the position today with the union's general secretary, Mr Ken Thomas, to determine if there were sufficient grounds for ordering a ballot re-run.

Among other allegations is one concerning literature circulated by Mr Macreadie's civil aviation branch, expressing support for his candidature in contravention of union rules.

But Mr Macreadie believes Mrs Losinska's intervention is through fear that the right-wing candidates are losing. He said he told Mr Thomas yesterday that "any attempt to reverse the democratic decision of the membership, whatever it is, will be met with firm resistance and those who try will pay the penalty."

Mr Graham said last night that he had had no reports of irregularities sufficient to justify a ballot re-run. But he said he believed the Militant Tendency, of which Mr Macreadie is a supporter, had poured money and organisation into his rival's campaign.

The left believes the CPSA membership, many of whom are low-paid, have turned against the present leadership because of a "sell-out" on wages earlier this year, when the Civil Service unions' campaign of industrial action was defeated by the Government.

But many on the right are confident that Mr Graham and Mr John Raywood, the right-wing candidate for the treasurer's post, will defeat Mr Macreadie and the left's candidate for treasurer, Mr Terry Ainsworth.

UC sets out Civil Service pay plan

'HILIP BASSETT, LABOUR STAFF

SERVICE pay settle- should be implemented without being offset other items of public liture, the TUC says It recommends that the g deal should be built re service's cash limits financial year.

s evidence to the Govern- inquiry into future pay ination in the Civil the TUC says that if rangements is followed rability with outside pay be able to exist along- a system of financial . The inquiry, chaired John Megaw, is due to by next summer in time for the 1983 pay settlement.

The TUC says the present system of independently-determined cash limits would not be compatible with the results of a comparability exercise.

The TUC's evidence is unlikely to find favour with the Government, which is opposed to comparability forming the basis of determining Civil Servants' pay. It has used the system of cash limits to restrict pay increases to its 540,000 white-collar workers.

The Government's opposition to the TUC's proposals is likely to be increased by the decision announced last week to transfer responsibility for pay from the Civil Service Department to the Treasury. Union leaders expect this will lead to an even tougher government line on the issue.

But the TUC's evidence may also fall short of Civil Service union leaders' expectations. While it blames the Government's abrogation of the comparability-based pay agreement for causing the 21-week Civil Service pay strikes earlier this year, it refuses to support fully the reintroduction of comparability in any new system.

The TUC says: "This is not to say comparability should be the sole determinant of public service pay. Other considerations, such as internal relativities, low pay and efficiency, should be taken into account in the negotiations."

It denies that comparability is more likely to lead to inflationary pressure and leap-frogging pay claims, arguing that problems over comparability-based systems have arisen mainly because of delays in implementing rises shown due, leading either to industrial strife or embarrassingly-high rises.

(Committee of Inquiry into Civil Service Pay: Memorandum of Evidence by the TUC General Council. TUC, London.)

Power staff's deal 'must equal miners'

BY JOHN LLOYD, LABOUR CORRESPONDENT

A POWER WORKERS' leader has given notice that he intends to seek a pay deal for his members at the same level as the settlement agreed by the mineworkers — whose current offer, rejected by the mineworkers' executive, is about 9.1 per cent.

Mr John Lyons, general secretary of the Engineers' and Managers' Association, advises his 34,000 members in the electricity supply industry "not to pay any special attention" to the Government's 4 per cent public sector pay rise guideline.

Writing in his union's journal, Mr Lyons says that "since the (electricity) industry's own wage costs are substantially less of a burden to it than the costs of miners' wages, it is very difficult for the industry to argue that it will pay up on another industry's pay settlement (in terms of the price it pays for coal) but will not do so for its own staff."

The electricity managers, who should settle in February, traditionally wait until after the settlement date of the 96,000 manual workers in March to determine their own settlement. Neither the EMA nor the manual worker unions have yet formulated a claim.

● The EMA is consulting other small unions to develop a system whereby they could be represented on the TUC's general council, once the new system of proportional representation—passed by this year's TUC conference — is agreed. However, Mr Lyons warned of efforts which "will undoubtedly be made to thwart the decision".

Mr Lyons also criticised the increasingly close relationship between the TUC and the Labour Party, saying that the former "has come to be used increasingly as an adjunct of the Labour Party.

"This is not the conception of the TUC's role held by the general secretary, Mr Len Murray, and neither is it consistent with the formal position of the general council."

Scargill given ovation

MR ARTHUR SCARGILL, the National Union of Mineworkers' presidential candidate, took his election campaign to South Wales yesterday and attacked the union's Right-wing. He said the union needed a president prepared to stand up and fight, to put forward the arguements, views and decisions of its national conferences.

The Yorkshire miners' Left-wing president, who has the South Wales NUM executive's recommendation for next month's ballot, said the result would determine the industry's future. Previous union policies of restraint had weakened and destroyed its credibility, he said.

THE KYOWA BANK LIMITED
London Branch

US $10,000,000
NEGOTIABLE FLOATING RATE CERTIFICATES OF DEPOSIT
MATURITY DATE NOVEMBER 15, 1982

In accordance with the provisions of the Certificates of Deposit notice is hereby given that for the six month Interest Period from November 16, 1981 to May 17, 1982 the Certificates will carry an Interest Rate of 14.375% per annum.

Agent
FIRST CHICAGO LIMITED

Public Works Loan Board rates

Effective November 14

Years	Quota loans repaid by EIP†	Quota loans repaid A‡	Quota loans repaid at maturity§	Non-quota loans A* repaid by EIP†	Non-quota loans A* repaid A‡	Non-quota loans A* repaid at maturity§
Up to 5	15⅞	16	16⅛	16½	16⅝	16¾
Over 5, up to 6	16	16	16⅜	16½	16⅝	16⅞
Over 6, up to 7	16	16⅛	16¼	16¾	16⅞	16⅞
Over 7, up to 8	16⅛	16¼	16⅛	16¾	16⅞	16⅞
Over 8, up to 9	16¼	16⅜	16⅛	16¾	16¾	16⅝
Over 9, up to 10	16¼	16¼	16	16¾	16¾	16⅝
Over 10, up to 15	16⅛	16	15⅞	16⅝	16⅝	16½
Over 15, up to 25	15⅞	15¾	15¾	16½	16⅜	16⅜
Over 25	15¾	15¾	15¾	16⅜	16⅜	16⅜

* Non-quota loans B are 1 per cent higher in each case than non-quota loans A. † Equal instalments of principal. ‡ Repayment by half-yearly annuity (fixed equal half-yearly payments to include principal and interest). § With half-yearly payments of interest only.

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SINESSMAN'S DIARY

UK TRADE FAIRS AND EXHIBITIONS

	Title	Venue
t	Caravan Camping Holiday Show and Mobile Homes (01-222 9341) (until November 22)	Earls Court
t	Times and Sunday Times Business to Business Exhibition (01-729 0677) (until November 18)	Belle Vue, Manchester
-20	Computer Peripheral and Small Computer Systems Exhibition and Conference (01-643 8040)	Olympia
-29	International Food Wine and Kitchen Exhibition (06284 2442)	Bristol
-27	Life Insurance Congress and Exhibition (01-580 8881)	Wembley Conference Centre
-Dec 5	International Building and Construction Exhibition and Kitchen International — INTERBUILD (01-486 1951)	NEC, Birmingham
-Dec 4	City of London Exhibition (01-935 8200)	Barbican
-3	Fluid Handling Exhibition and Conference—INTERFLOW (01-680 7525)	Harrogate
-3	Software Information International Exhibition and Conference (01-948 3111)	Wembley Conference Centre
6	World Travel Market (01-643 8040)	Olympia

ERSEAS TRADE FAIRS AND EXHIBITIONS

	Title	Venue
t	Automobile Show (01-486 8686) (until November 22)	Sao Paulo
-20	International Market of Subcontracting—MIDEST (0271 812968)	Lyon
-21	Medical and Technical Exhibition and Congress—MEDICA (01-409 0956)	Dusseldorf
-27	Arab Home and Leisure Show (01-486 1951)	Bahrain
-27	International Mining Exhibition and Conference for South East Asia (021705 6707)	Singapore
-28	International Technical Fair (01-486 1951)	Helsinki
-Dec 5	UAE Autumn Fair (01-935 8200)	Dubai
l	European Plant Engineering and Maintenance Exhibition and Conference—FABRIK (021-384 3384)	Cologne
5	South East Asia's Gift Fair (01-681 7688)	Singapore

SINESS AND MANAGEMENT CONFERENCES

	Title	Venue
-17	FT Conference World Telecommunications (01-621 1355)	Inter Continental, W1
	College of Marketing UK Economic Prospects over the next five years (06285 24922)	Penta Hotel, SW7
-18	Gower: International Treasury Management (01-240 5931)	Waldorf Hotel, WC2
-18	Oyez: Implications of change in the London Gilts and Money Markets (01-242 2481)	Royal Garden Hotel, W8
-20	European Congress for the Organisation of Financial Institutions (Luxembourg 2 09 31)	Luxembourg
-20	First World Congress on Management Development (0234 48338)	Mark Lane, EC1
	IPS Telecommunications—the Changing Market (0990 23711)	Metropole Hotel, W2
-20	Gower: Offshore Workshop '81—Construction and Supply Contracts (01-240 5931)	Café Royal, W1
-24	MSS: Computer Appreciation for Managers/Users (0903 34755)	Worthing
	Oyez Purchase of Own Shares and Accounting Problems (01-242 2481)	Carlton Tower, SW1
	Wm. Mercer: Employee Benefits in the U.S. (01-405 4343)	Royal Garden Hotel, W8
1-26	Seatrade Academy Ship Finance (0223 353451)	Hong Kong
5	Marketing Society Annual Conference on the Coming Moves (01-543 5191)	Royal Lancaster Hotel, W2
5-27	The Economist: Satellite Broadcasting—the next opportunity (01-839 7000)	Vienna
6	Brazilian Chamber of Commerce: Today's Business Opportunity (01-499 0186)	Café Royal, W1
0-Dec 1	FT Conference: Retail Banking (01-621 1355)	Royal Lancaster Hotel, W2
2	FT Conference: International Finance for Development (01-621 1355)	Barbican Centre, EC2
	American Chamber of Commerce: Investing in the United States—a top management perspective (01-370 3176)	Hyde Park Hotel, SW1
	IBI: The British Boating Industry—which way now? (01-643 8040)	Park Lane Hotel, W1

me wishing to attend any of the above events is advised to telephone the organisers to ensure that there has been no change in the details published.

Financial Times Conferences

RNATIONAL FINANCE FOR DEVELOPMENT
m—December 1 and 2, 1981

ıor Jaime Laya of the Central Bank of the Philippines, a leading borrower country, will ıe chair and gave a keynote address at this practical seminar to be arranged by the Financial and the City University Business School.

ıemes of the seminar will be the scope for private bankers in the light of the current trend ı in the official lending institutions; the opportunities for commercial banks to work with those tions; the new financing techniques currently available and the innovations that are likely ıe valuable over the next five years.

PEAN BUSINESS FORUM: FINANCE INVESTMENT AND TRADE
—December 10 and 11, 1981

talian Prime Minister, On. Giovanni Spadolini, will open this international Forum to be ıred by the Financial Times, Istituto Nazionale Per Il Commercio Estero (ICE), Istituto Assistenza Allo Sviluppo Del Mezzogiorno (IASM) and La Repubblica.

addresses will also be given by Mr Laurent Fabius, French Minister delegate in charge of ıdget, On. Emilio Colombo, Minister of Foreign Affairs for Italy and Mr Robert Hormats, ıistant Secretary of State for Economic and Business Affairs.

l Carrier: Alitalia

quiries should be addressed to:
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on EC4R 9AX

Tel: 01-621 1355
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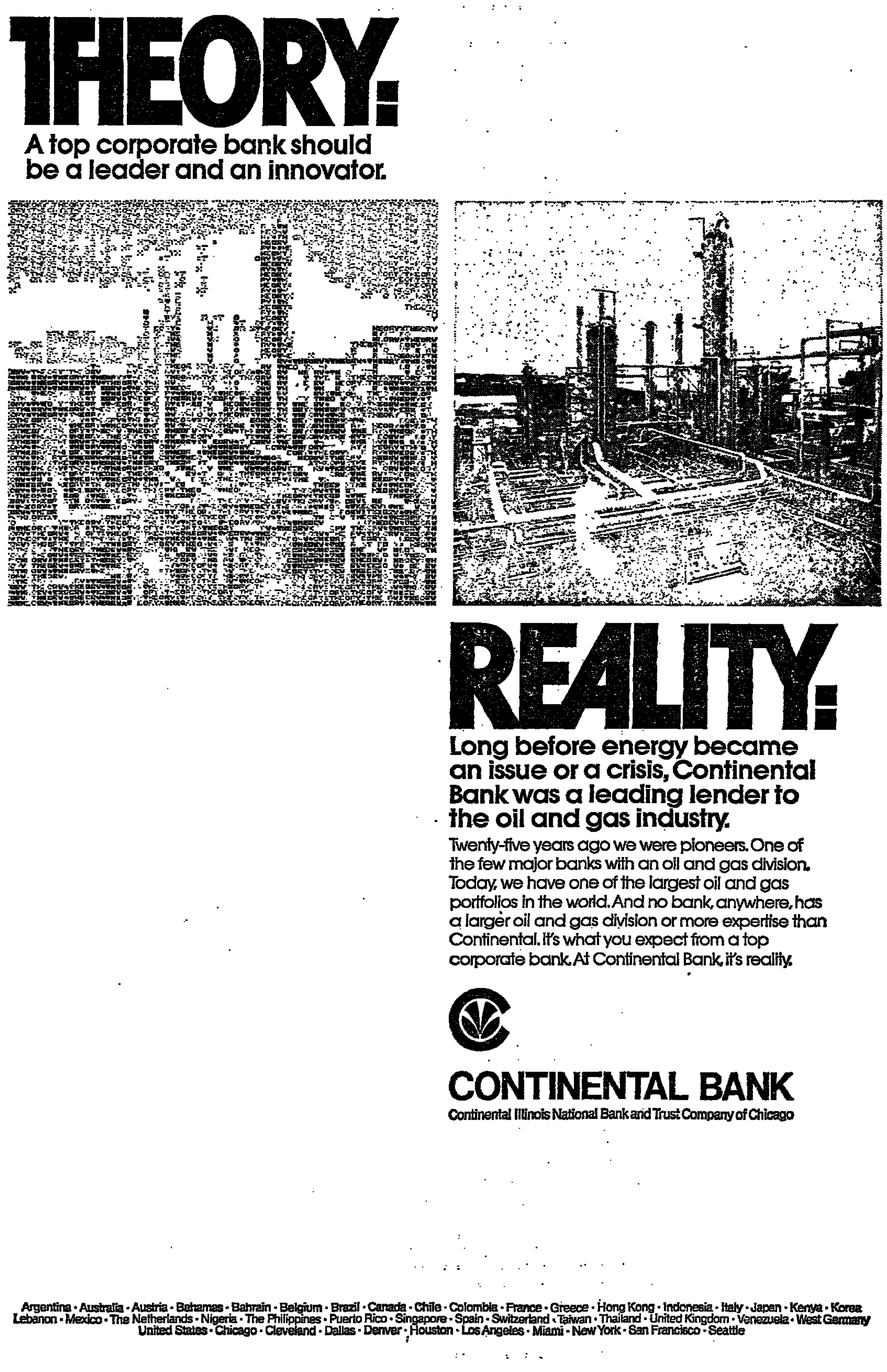

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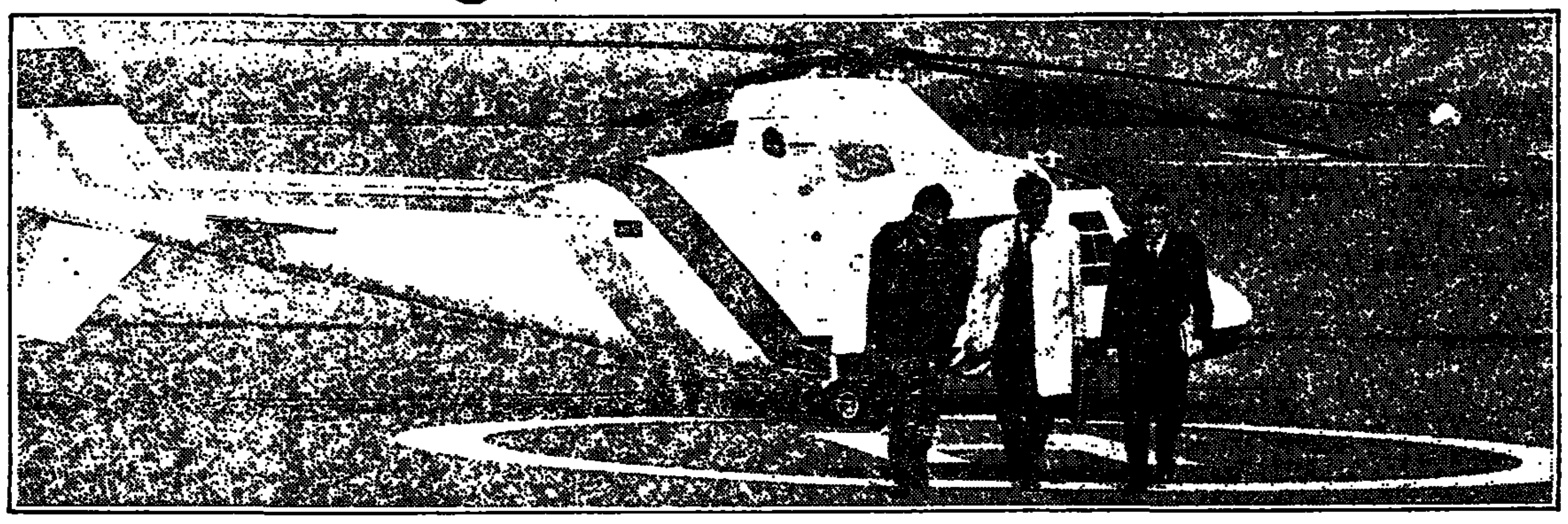

Royal treatment is a Hypo-Bank service tradition that dates back to 1835 when we were established in Munich by royal proclamation by King Ludwig I of Bavaria.

A tradition of going to great lengths to satisfy client requirements in all fields of banking and finance, wherever and whenever they are needed.

Backed by consolidated assets of more than DM 83.8 billion, we offer comprehensive commercial and investment banking services, ranging from trade and project financing, foreign exchange and interbank money dealing to syndicated loans, security trading and portfolio management.

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HYPOBANK
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APPOINTMENTS

Changes at Booker

Following the death of Mr B. J. Doré, chairman and chief executive of BOOKER McCONNELL'S food distribution division, the following appointments have been made: Mr M. C. W. Wildy, vice-chairman of Booker McConnell, joins the board of the food distribution division as its non-executive chairman. Mr W. J. Marjoram, a director of the food distribution division, becomes trading director for the division, while continuing to hold his present position as managing director of BBW Cash and Carry. Mr D. A. Hawkins, group buying director for the division's wholesale and retail businesses, joins the divisional board. It is the intention, in due course, to appoint a chief executive of the division.

★

COMMERCIAL UNION ASSURANCE states that Mr J. F. G. Emms will retire as chief general manager at the annual meeting on April 19. He will remain on the board and will continue as vice chairman. Mr C. R. Harris, at present deputy chief general manager, will become chief executive of the Group and Mr R. I. Sloan and Mr J. Linbourn, as executive directors, will act as his deputies.

Mr B. Arnold, general manager finance, Mr V. C. Bryan, general manager, UK division, and Mr L. W. Hammick, general manager, overseas division, have been appointed directors from January 1. Mr A. Macfadyen, Dr H. C. O'Connor and Mr E. D. Rainbow wil retire on April 19.

★

Mr K. Linfoot, managing director of the property division, has been appointed to the board of Espley-Tyas Overseas and Mr F. Gleave, who is managing director of the overseas activities, has been appointed to the board of Espley-Tyas Properties.

★

The new North East regional director of the Department of the Environment's PROPERTY SERVICES AGENCY is Mr Sandy Singh, formerly director of works (procurement executive and overseas) at PSA in Croydon.

★

The BRITISH-EXPORT-FINANCE ADVISORY COUNCIL has been formed to study the problems of financing British exports. The members are: Mr C. D. Hankes-Drielsma (chairman), Sir John Barraclough, Mr M. A. Coates, Mr A. F. Frodsham, Mr J. Gratwick, Mr C. F. Haan, Mr E. J. W. Hellmuth, Mrs A. Money-Coutts, Mr R. S. O'Brien, Sir John Read, Viscount Slim, and Mr S. D. Wilks.

★

At TWIL Mr J. W. Naylor replaces Mr A. S. Watts, who has recently retired; and Mr G. D. Saul replaces Mr J. S. Pennington. Mr Saul also joins the board of TWIL Group Management taking over from Mr Pennington.

★

Mr Bryan Cassidy, currently European director of IPC Business Press becomes Director-general of the COSMETIC TOILETRY AND PERFUMERY ASSOCIATION from December 1.

★

Dr Jack Firth has been appointed director of the HEALTH AND SAFETY EXECUTIVE'S occupational medicine and hygiene laboratories in Cricklewood. He succeeds Dr G. W. Bloomfield who retired earlier this month.

TENDERS MUST BE LODGED AT THE BANK OF ENGLAND, NEW ISSUES, WATLING STREET, LONDON, EC4M 9AA NOT LATER THAN 10.00 A.M ON THURSDAY, 19TH NOVEMBER 1981, OR AT ANY OF THE BRANCHES OF THE BANK OF ENGLAND OR AT THE GASGOW AGENCY OF THE BANK OF ENGLAND NOT LATER THAN 3.30 P.M. ON WEDNESDAY, 18TH NOVEMBER 1981. ENVELOPES CONTAINING TENDERS SHOULD BE MARKED "EXCHEQUER TENDER."

ISSUE BY TENDER OF £1,000,000,000

14 per cent EXCHEQUER STOCK, 1986

MINIMUM TENDER PRICE £95.75 PER CENT

PAYABLE AS FOLLOWS:

Deposit with tender	£40.00 per cent
On Monday, 11th January 1982	Balance of purchase money

INTEREST PAYABLE HALF-YEARLY ON 29TH APRIL AND 29TH OCTOBER

This Stock is an investment falling within Part II of the First Schedule to the Trustee Investments Act 1961. Application has been made to the Council of The Stock Exchange for the Stock to be admitted to the Official List.

THE GOVERNOR AND COMPANY OF THE BANK OF ENGLAND are authorised to receive tenders for the above Stock.

The principal of and interest on the Stock will be a charge on the National Loans Fund, with recourse to the Consolidated Fund of the United Kingdom. The Stock will be repaid at par on 29th October 1986.

The Stock will be registered at the Bank of England or at the Bank of Ireland, Belfast, and will be transferable, in multiples of one new penny, by instrument in writing in accordance with the Stock Transfer Act 1963. Transfers will be free of stamp duty.

Interest will be payable half-yearly on 29th April and 29th October. Income tax will be deducted from payments of more than £5 per annum. Interest warrants will be transmitted by post. The first payment will be made on 29th April 1982 at the rate of £4.9918 per £100 of the Stock.

Tenders must be lodged at the Bank of England, New Issues, Watling Street, London, EC4M 9AA not later than 10.00 A.M. ON THURSDAY, 19TH NOVEMBER 1981, or at any of the Branches of the Bank of England or at the Glasgow Agency of the Bank of England not later than 3.30 P.M. ON WEDNESDAY, 18TH NOVEMBER 1981. Each tender must be for one amount and at one price. The minimum price, below which tenders will not be accepted, is £95.75 per cent. Tenders must be made at the minimum price or at higher prices which are multiples of 25p. Tenders lodged without a price being stated will be deemed to have been made at the minimum price.

A separate cheque representing a deposit at the rate of £40.00 for every £100 of the *nominal* amount of Stock tendered for must accompany each tender; cheques must be drawn on a bank in, and be payable in, the United Kingdom, the Channel Islands or the Isle of Man. Envelopes containing tenders should be marked "Exchequer Tender."

Tenders must be for a minimum of £100 Stock and for multiples of Stock as follows:—

Amount of Stock tendered for	Multiple
£100—£1,000	£100
£1,000—£3,000	£500
£3,000—£10,000	£1,000
£10,000—£50,000	£5,000
£50,000 or greater	£25,000

Her Majesty's Treasury reserve the right to reject any tender or to allot a less amount than that tendered for. If undersubscribed, the Stock will be allotted at the minimum price, the balance of Stock not tendered for being allotted at the minimum price to the Governor and Company of the Bank of England, Issue Department. If oversubscribed, all allotments will be made at the lowest price at which any tender is accepted (the allotment price), and tenders which are accepted and which are made at prices above the allotment price will be allotted in full.

Letters of allotment in respect of Stock allotted, being the only form in which the Stock may be transferred prior to registration, will be despatched by post at the risk of the tenderer, but the despatch of any letter of allotment, and any refund of the balance of the amount paid as deposit, may at the discretion of the Bank of England be withheld until the tenderer's cheque has been paid. In the event of such withholding, the tenderer will be notified by letter by the Bank of England of the acceptance of his tender and of the amount of Stock allocated to him, subject in each case to payment of his cheque, but such notification will confer no right on the tenderer to transfer the Stock so allocated.

No allotment will be made for a less amount than £100 Stock. In the event of partial allotment, the balance of the amount paid as deposit will, when refunded, be remitted by cheque despatched by post at the risk of the tenderer; if no allotment is made the amount paid as deposit will be returned likewise. Payment in full may be made at any time after allotment but no discount will be allowed on such payment. Interest may be charged on a day-to-day basis on any overdue amount which may be accepted at a rate equal to the London Inter-Bank Offered Rate for seven day deposits in sterling ("LIBOR") plus 1 per cent per annum. Such rate will be determined by the Bank of England by reference to market quotations, on the due date for the relevant payment, for LIBOR obtained from such source or sources as the Bank of England shall consider appropriate. Default in due payment of any amount in respect of the Stock will render the allotment of such Stock liable to cancellation and any amount previously paid liable to forfeiture.

Letters of allotment may be split into denominations of multiples of £100 on written request received by the Bank of England, New Issues, Watling Street, London, EC4M 9AA, or by any of the Branches of the Bank of England, on any date not later than 7th January 1982. Such requests must be signed and must be accompanied by the letters of allotment.

Letters of allotment must be surrendered for registration, accompanied by a completed registration form, when the balance of the purchase money is paid, unless payment in full has been made before the due date, in which case they must be surrendered for registration not later than 11th January 1982.

Tender forms and copies of this prospectus may be obtained at the Bank of England, New Issues, Watling Street, London, EC4M 9AA, or at any of the Branches of the Bank of England, or at the Glasgow Agency of the Bank of *England*; at the Bank of Ireland, Moyne Buildings, 1st Floor, 20 Callender Street, Belfast, BT1 5BN; at Mullens & Co., 15 Moorgate, London, EC2R 6AN; or at any office of The Stock Exchange in the United Kingdom.

BANK OF ENGLAND
LONDON
13th November 1981

THIS FORM MAY BE USED

TENDER FORM

This form must be lodged at the Bank of England, New Issues, Watling Street, London, EC4M 9AA not later than 10.00 A.M. ON THURSDAY, 19TH NOVEMBER 1981, or at any of the Branches of the Bank of England or at the Glasgow Agency of the Bank of England not later than 3.30 P.M. ON WEDNESDAY, 18TH NOVEMBER 1981. Envelopes containing tenders should be marked "Exchequer Tender".

ISSUE BY TENDER OF £1,000,000,000

14 per cent Exchequer Stock, 1986

MINIMUM TENDER PRICE £95.75 PER CENT

TO THE GOVERNOR AND COMPANY OF THE BANK OF ENGLAND

I/We tender in accordance with the terms of the prospectus dated 13th November 1981 as follows:—

Amount of above-mentioned Stock tendered for, being a minimum of £100 and in a multiple as follows:—

Amount of Stock tendered for	Multiple
£100—£1,000	£100
£1,000—£3,000	£500
£3,000—£10,000	£1,000
£10,000—£50,000	£5,000
£50,000 or greater	£25,000

1. NOMINAL AMOUNT OF STOCK £

Amount of deposit enclosed, being £40.00 for every £100 of the *nominal* amount of Stock tendered for (shown in Box 1 above):—

2. AMOUNT OF DEPOSIT(a) £

The price tendered per £100 Stock, being a multiple of 25p and not less than the *minimum* tender price of £95.75:—

3. TENDER PRICE(b) £ : p

I/We hereby engage to pay the balance of the purchase money when it becomes due on any allotment that may be made in respect of this tender, as provided by the said prospectus.

I/We request that any letter of allotment in respect of Stock allotted to me/us be sent by post at my/our risk to me/us at the address shown below.

.... November 1981

SIGNATURE ....
of, or on behalf of, tenderer

PLEASE USE BLOCK LETTERS

MR/MRS MISS	FORENAME(S) IN FULL	SURNAME
FULL POSTAL ADDRESS:—		
FT	POST-TOWN	COUNTY	POSTCODE

a A separate cheque must accompany each tender. Cheques should be made payable to "Bank of England" and crossed "Exchequer Stock". Cheques must be drawn on a bank in, and be payable in, the United Kingdom, the Channel Islands or the Isle of Man.

b The price tendered must be a multiple of 25p and not less than the minimum tender price. If no price is stated, this tender will be deemed to have been made at the minimum tender price. Each tender must be for one amount and at one price.

STAMP OF LODGING AGENT (IF ANY)

Business Addtractions

If you're looking for an industrial location for your Company (whether you're setting up or expanding), you'll sense the attractions of Aycliffe and Peterlee, the north-east's two successful new towns.

Addvance Factories

You can choose from all sizes of factory units within a range from 600 square feet to almost 40,000 square feet and they're available now. Or if you prefer, our 'design and build' service can cater for any particular requirements you have.

Addvantages

You can choose between the differing advantages of each town to find something that suits your operation—
Special Development Area
Incentives, motorway links,
high labour availability,
engineering traditions
and so on.

Addmirable

The stories you might hear about the bleak north-east aren't true. There is great, unspoilt, natural beauty in the region as well as an historic tradition in culture and sport.

Addictive

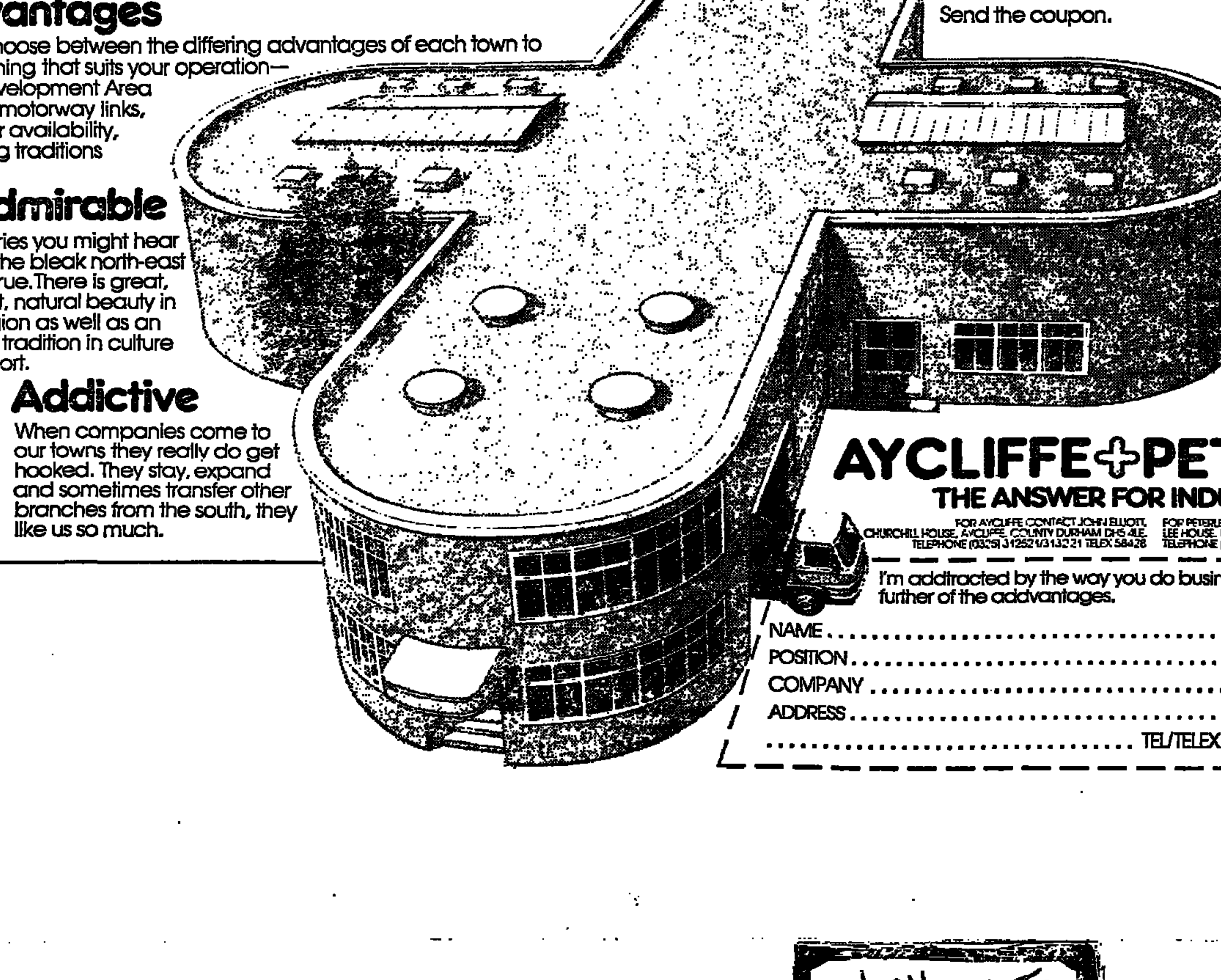
When companies come to our towns they really do get hooked. They stay, expand and sometimes transfer other branches from the south, they like us so much.

Addvisable

Take the advice of nearly 200 other companies finding the answers they need in Aycliffe and Peterlee—companies like Fisher-Price Toys, Flymo, GEC Telecommunications, NSK Bearings, Eaton Axles, DJB Trucks and so on.

Addtracted?

Send the coupon.



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:CHNOLOGY

EDITED BY ALAN CANE

'acal electronic detection iit captures the Army

:VATE venture develop- by Racal in "electronic ation" equipment for military and security has resulted in the quick of a £0.75m contract by nistry of Defence for a antial number" of the to be deployed by the Army starting early car.

system is called Classic ing for covert local area system for intruder ication) and is able to ver ranges up to about whether the enemy is ching on foot, in a 'd vehicle or in a tank. a year of intensive pment by Racal-SES of or, Classic is now in ction.

re are three types of unit system, all about the size hand held radio set: the or device, which can use c, infra-red or any other kind of sensor; a radio relay unit which will extend the range beyond the nominal 7 km; and a monitoring unit on which the soldier can see what is happening, and where. All are connected by VHF radio.

Foliage

At the "sharp end" of the system the sensor units, of which up to eight can be used with each monitor, are hand placed at locations where there is the likelihood of personnel and/or vehicle intrusion.

Each of the units is cable coupled to the actual transducer, seismic (pressed into the ground) or infra-red (supported on a short stick). Each is concealed in grass or foliage.

Microelectronics in the sensor unit are able to process the transducer signals so as to tell the difference between men, vehicles or tanks. The result, for each detection, is coded into tone signals which are frequency modulated on to the VHF carrier for transmission to the monitor unit.

Each of these transmissions takes only 250 milliseconds, so that the probability of detection by the enemy, or of interference with other sensors on the same radio channel, is small.

The monitor unit receives the VHF FM signal, decodes the data and presents the information on an LED display to show sensor identification, type and frequency of intrusion.

The relay unit is simply a combined receiver and transmitter working at the channel frequency, common to all the sensors. It sends any coded signal on to the monitor.

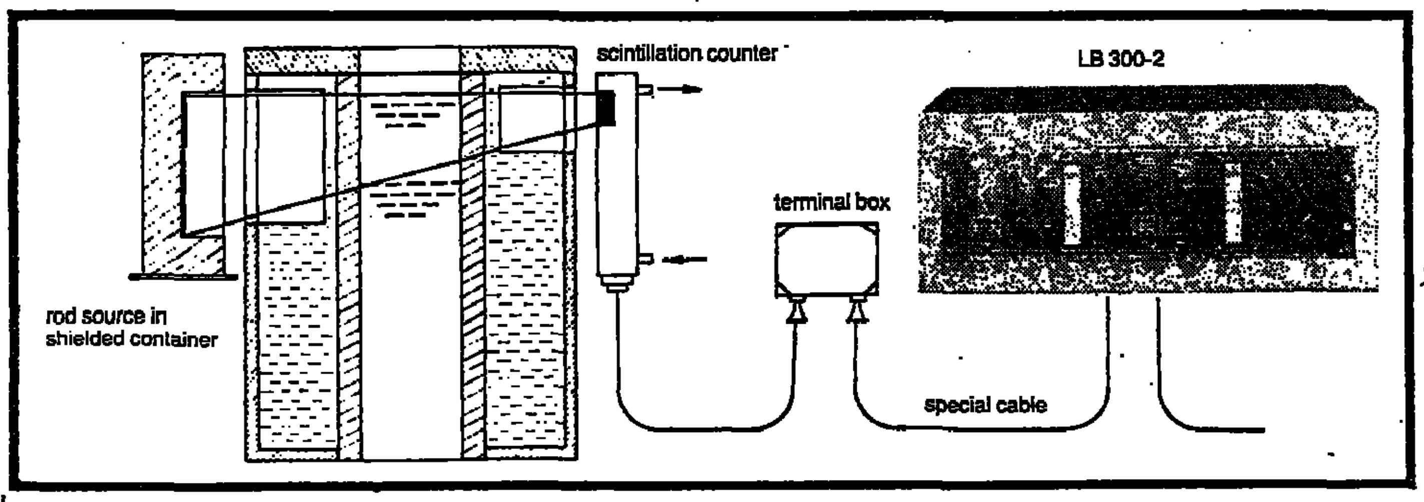
A miniature printer can also be provided so that a comprehensive record of events can be kept when the monitor is unattended.

Classic is intended mainly for use in military operations, but it might also find application in other areas where detection of movement outside the line of sight is essential.

Other possible users will be water authorities for temporary water level change alarm, and oil rig operators. Racal SES, however, is not aiming at fixed perimeter security which can be better performed by other means.

GEOFFREY CHARLISH

TH the Racal hand-held equipment the operator is pre- ted with the type, frequency and location of intrusion at of the eight sensor emplacements. An LED display, in junction with a map, enables rapid interpretation of intruder detection



Impex technique to control mould levels

THE Industrial Control Group of Laboratory Impex at Twickenham has developed a mould level control system, using a non-contact measuring technique which, it is claimed, can control the level of the metal within 3 per cent of the measuring range.

The LB 300-2 consists of a low intensity radioactive rod source unit and a high sensitivity scintillation counter detector, positioned diametrically opposite each other outside the mould.

A narrow beam of radiation is emitted and passes through the contents of the header. The intensity of the energy reaching the water cooled detector is proportional to the molten metal level and a readout control function via an amplifier and thus an electronic signal can be fed to a controller regulating the speed of the casting.

The company claims that measuring is unaffected by temperature, viscosity of the metal and surface conditions such as smoke or dust. Control of the mould level is automatic so that operators need no longer open molten metal gates manually. Further details and technical specifications are available from Laboratory Impex, Lion Road, Twickenham, Middx., 01-891 4881.

First flight for Sperry

THE SPERRY laser gyro inertial navigation system, developed under a contract placed by MoD in 1978, has been officially flown at the Royal Aircraft Establishment, Farnborough. The performance achieved was said to be exceptionally good and consistent with conventional electromechanical inertial navigation.

At the same time, Rediffusion Simulation has announced the first "flight" of the simulator that Boeing has ordered for the new generation 767 aircraft.

Auto running for coatings

FOR THE control of coating plants, mainly in the optical industry, Leybold Heraeus of London (01-947 9744) has developed a microprocessor controlled unit that permits automatic running of vacuum coating plant.

Plant can be programmed in conversational mode without computer language. In addition, computation and display of the spectral curves of the coatings can be carried out and it is possible to show similarly changes in pressure.

MAX COMMANDER

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01-235 9951

Micro in miniature

PUT ON the market by Digital Equipment Company of Reading (0734 868711) is what is claimed to be the industry's smallest 16 bit single board microcomputer (SBC). It measures only 132 x 288mm.

Known as the Falcon SBC-11/21, the machine is aimed at read-only memory (ROM)-based applications in such areas as laboratory instrumentation, manufacturing monitoring and control, process control, robotics and medical equipment.

Basic model of Falcon has 4,000 bytes of static random access memory (RAM), provision for up to 32,000 bytes of erasible programmable read-only memory (EPROM), two serial and one 24 line parallel input/output ports, clock and interface to the LSI-11 bus.

DEC's own T-11 chip is at the heart of the computer. Employing the latest MOS/LSI semiconductor technology, it contains the equivalent of 13,000 transistors on a silicon area of about 0.004 square inch.

)evelopments in field of omputer aided design

;E DEVELOPMENTS have ged recently in the field of uter aided design.

eral Motors, for example, developed a technique combines colour graphics finite element analysis so reduce the time required lve tedious and complex e design problems.

result has been a system l, Colourstress in which levels are indicated by ag colours. Previously, the rous stress calculations ed in pages of computer out. Now, the whole stress l can be seen in colour on 'RT screen.

the equipment side, has introduced a ter- the 120R, that has con- ble built-in intelligence can be used with many similar terminals in dis- ed CAD systems. Idea d the development is to each designer, seated at 0R, to have virtually un- d access to a central data- while the terminals them- provide the power for of the CAD operations and ulations.

Each terminal has a 16 bit processor with up to 256k of memory and a 160 megabyte winchester disc, a console and a tape unit.

Appropriate communications software connects the 120R over a phone line to the main computer. A 1280 x 1024 high resolution black and white display is provided, with colour as an option. More on 0276 682021.

The third announcement has come from Decision Graphics (UK) (associated with Decision Graphics Inc of Southborough, Mass.) which is now to offer a bureau service to handle the production of all types of architectural plans and drawings.

Clients will be able to use the system in conjunction with digitising boards, a Megatek refresh graphics unit, a VAX computer and an electrostatic printer to make the drawings.

Work that can be carried out includes detail draughting to any scale, production of schematic designs and layouts, basic scheduling, and the creation of all kinds of standard graphics elements. More on 0293 543675.

'adio paging system for 'reater London area

ADIO paging system has set up in the Greater Lon- rea (20 miles radius) by l Paging Systems (UK) of w Road, Wembley (01-903

S is a subsidiary of ic Scanning Corporation e U.S., which has to date some 200,000 pager units service in America.

system is based on ola equipment. Using a er of transmitters it a 24 hour service seven a week, with a guarantee faulty pagers will be re- d within 24 hours. Tone or tone with speech ser- is offered, with activation any public telephone.

ose wishing to contact a user simply dial the DPS operations number and tell the operator the pager number. The operator keys in the pager number and the pager then "bleeps" (in one of two tones, indicating one of two locations to be contacted).

In the case of speech the caller records his message, which goes into solid state store, is queued, and transmitted to the pager as soon a possible.

Large users can have a private line direct to the DPS computer, in which case the pager number itself can be dialled direct.

An additional facility offered is group paging in which, say, six salesmen could all be called at the same time.

The company says that customers signing up will get their pagers virtually immediately and that the minimum contract period is three months.

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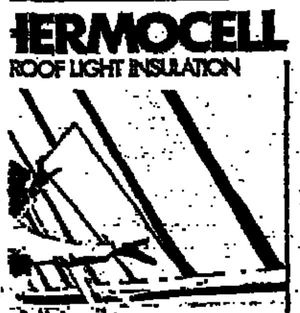

r full details
g Tom Allison on 0904 36440
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Batch weigher

A BATCH WEIGHER launched by Optibal of Congleton, Cheshire, can deal with granular and powder products from 50g to 10kg. It has a two-speed feed control and averages 20 weighing operations per minute with an accuracy of plus or minus 1g up to 2kg and plus or minus 10g for weights over 2kg. More from 02602 6127.

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Many businesses are finding Harris Super-minis give the best results at the right price – so we invited some to talk at our Computer Systems Road Show.

People like EPS Consultants Ltd, Stratcom (Arays), Dene Computer Systems (Inic), K&A (Promis and FAS), and (Graphics).

We've chosen locations near golf courses, so you might also like to play a round with us.

Contact David Longley or Mike Wrenn on Slough (0753) 34666, for details and your personal invitation.

17-18th Nov.	Moor Golf & Country Club
24-25th Nov.	Post House Hotel, Coventry.
30th Nov. 1-4th Dec.	Moor Park Golf Club.

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If you get a hole-in-one – you get the car! There's also an opportunity to play with two of Europe's leading lady golfers.

"Qantas wants to lull you to sleep."

"It's not enough that Qantas flies from London to Australia night and day, day and night.

"Now they're trying to entice you into their sleeper chairs.

"'Don't sit it out', says Qantas.

"'Stretch out and snooze the miles away on our big, comfortable 747's', says Qantas.

"'Fly with us to Perth or Darwin or Brisbane or Sydney or Melbourne. Because we practically guarantee you'll arrive bright-eyed and bushy-tailed', says Qantas.

"Well, Qantas. This will not be taken lying down — says koala!"

QANTAS

The Australian Airline.

BUILDING AND CIVIL ENGINEERING

Hospital work for Higgs and Hill

NEW CONTRACTS worth over £15m have been announced by Higgs and Hill which will carry out major hospital construction projects in London.

Largest award is the £10m building of an extension to St George's Hospital for South Thames Regional Health Authority. This involves providing an extension to the medical school with attendant laboratory facilities, and completion is due at the end of this year.

Work worth over £5m is at Charing Cross hospital whose 19-storey structure was undertaken by the company and opened by the Queen in 1973, together with several other subsidiary buildings in the following years. Current scheme has been awarded by the North-West Thames Regional Health Authority and involves the construction of the north block and the medical oncology building to be completed by May 1984.

A smaller project is for the Camden and Islington Area Health Authority at the Royal Free. This requires construction of a single storey building to house a whole body scanner unit and is due to be finished in April next year.

Kyle Stewart's £12m

THE REDEVELOPMENT of the old Heston Airfield as an 18-hole golf course and industrial estate is worth £8m to London-based Kyle Stewart (Contractors) included in a variety of new work which totals £12m.

Upon completion of this 70-week contract, there will be 21 industrial units on the 125 acre site, and the golf course and clubhouse should be completed after a 54 week term and ready to open in the spring of 1983. The London Open Golf scheme is for Kyle Stewart Investments (Hounslow).

Anoher project with a value of £4m is a new superstore, garden centre and petrol station for Tesco. The single storey store will be steel framed and clad in brick. Contract period is 54 weeks.

The company's work on a warehouse and office block, and a separate office block for Amway in Milton Keynes (worth £2.6m) is underway and due to be completed next spring.

Next February, a pharmaceutical production and packing facility will be completed for the Wellcome Foundation at its production centre in Dartford, Kent. Work has been phased and is valued at £3.5m.

A second project at £1.25m involves a pharmaceutical development laboratory due for completion next summer.

Another £5½m for Gleeson

VALUED AT £2¾m is M. J. Gleeson's contract won from the PSA for building extensions to the automatic telephone exchange at Maidstone, Kent. This should start today, with completion in 27 months.

Following its earlier foundation contract from St Martins Property Investment at North End, Croydon, the company has secured another £2m for reinforced concrete frame and external walling here.

Third award is from the Hanover Housing Association of Egham to build a two-storey *block of flats* at Kingsmead Avenue, Worcester Park, Surrey. This will create 36 old persons' flats, one warden's maisonette and communal facilities with external works.

Segas scheme

THE DISTRIBUTION unit of the construction division of William Press and Son has been awarded a three year contract worth £2.7m by South Eastern Gas for mains and service-laying in west Kent.

Work started earlier this month, and the operations base will be at Tonbridge and Maidstone from where the company will carry out renewals, replacements and leakage control to mains and services, as well as the laying of new mains and services.

Awards reflect impetus in steel design

THIS YEAR'S Structural Steel Design awards attracted a record number of entries (submissions were up 20 per cent) and in presenting the winners with the 1981 glittering prizes, Viscount Caldercote president of the Fellowship of Engineering said: "All are fine examples of efficient use of materials and simplicity in meeting clients' requirements most effectively and elegantly."

Apart from announcing the unprecedented interest in the awards scheme (sponsored jointly by the British Constructional Steelwork Association and the British Steel Corporation and administered by Constrado) Lord Caldecote stressed the innovatory factor necessary to meet market requirements, old or new, *as being the best way* to beat competition.

He suggested that, perhaps, "The Iron Lady who is in charge of all our destinies should convert to steel and become more ductile."

The material is highly competitive when compared to other materials, such as concrete, and the BSC is constantly trying to improve steel's competitiveness. With the help of tax-payers money it has improved its plant and set out to give an improved customer service, but it has been too reticent about what it can provide to the construction industry, and now must try to evolve a means of supporting the use of steel more effectively.

The 1981 winners are, however, symptomatic of the impetus and *quality* that can be evoked by the awards scheme, and undoubtedly reflect the talents inherent in the UK.

Top prize went to the Birmingham International Arena for the NEC, Birmingham. This gives a public arena and column free exhibition space totalling 10,000 square metres supplementing the six halls opened in 1975. The main roof structure comprises nine Nodus frames simply supported on their four sides by tubular box section trusses supported in turn at their intersection points by tubular steel tension members.

Advantages

The judges commented that the project convincingly demonstrates the advantages, under such circumstances, of the off-site fabrication of structural *steel components* and their speed of assembly, as well as good design and accurate fabrication. Architects were Edward D. Mills and Partners, structural engineers Ove Arup and Partners, and steelwork contractor Redpath Engineering.

Involved in the Myton Bridge Kingston upon Hill project, is a counter-balanced unequal span cable-stayed steel box-girder swing bridge with a width of some two-thirds of the navigation span length—said to be unique. Structural steel was considered to be the obvious medium to keep weight down to a minimum and, in the opinion of the judges, the whole scheme is said to have been well designed and executed, bearing in mind requirements for *inspection and maintenance*.

This collected the second award for consultant architect R. E. M. Slater, RIBA, structural engineers Freeman Fox and Partners, and the Cleveland Bridge and Engineering Company as steelwork contractor.

Two dramatic new structures highlight the skyline of South Humberside, the 51-metre high twin headrames of the phoenix-like Thorne Colliery now under reconstruction, winning the third prize.

This accolade is shared with Husband and Co., of Sheffield, consulting engineer and architect appointed by the National Coal Board to design the surface works of the Thorne Project, and steelwork contractor Fairfield-Mabey.

Commendations went to: **Kings Reach Project**, London, SE1, for Sea Container Services; ***Refit Shop* HM Naval Base**, Rosythe, Fife, for the Ministry of Defence; **Queen's Medical Centre**, Nottingham, for the Trent Regional Health Authority; **River Hull Tidal Surge Barrier** for Yorkshire Water Authority; and export commendation for **Pot Room Complex**, Aluminium Smelter, Dubai.

DEBORAH PICKERING

Airways HQ

DERBY-BASED Ford and Weston has secured over £3m in new work which includes a headquarters building for British Midland Airways at Donington Hall, Leics, a municipal housing contract in Coventry, and the first phase of a new Islamic Centre in Nottingham.

Myton build for Hambro

MEMBER OF Taylor Woodrow, Myton, has a £4m contract for Hambro Life Assurance to refurbish and renovate a London office block at Holborn Viaduct.

Work has started on the building which is due for completion next August and includes replacing the existing curtain walling, installing new central heating and air conditioning systems, replacing and extending lift systems, renovating and redecorating the entrance lobbies and offices, and cleaning the external *stonework*.

Myton has also won two other schemes for the construction of a car park next to a warehouse for Countrycross at Perivale, and refurbishing the sixth floor at Bucklersbury House and some preparatory refurbishing work on the second floor, both awarded by Legal and General Assurance Society.

Bypass works

HENRY BOOT announces new projects worth £2.7m, including Bedfordshire County Council's £1.7m award for the construction of a 2.34 km single two-lane carriageway and 0.11 km of single four-lane carriageway and two roundabouts on the A6 Elstow bypass.

Bryant construction
Build for Commerce & Industry
Midlands.Thames Valley.

Wimpey takes over £3m

MAJOR DEAL in a bate together worth over £3m won b Wimjey is a £1.8m contra from the City of Birminghar to modernise 288 properties i Oakfield Road, Balsall Heath.

Work here involves extensi internal alterations and repai with some alterations t external elevations and roof Also included are water insta lations, drainage and min landscaping.

An industrial/commerci development valued at ju under £1m is at Faraday Roa South Dorcan, Swindon for th Royal Mutual Insurance Societ and calls for the erection c seven individual two-stor blocks with staircase lin totalling 3,100 sqare metres flor area.

Renfrew District Council h awarded just under £½m to t company's *Glasgow office* f the extensive modernisation 31 houses and five closes Well Street, Paisley.

What's new in building

A PATENT has just been awarded to a leading British double-glazing designer, Eric Crehan, for innovatory window architecture.

After five years of intensive research and development at the Abingdon plant of his company, Alaskan Windows, emerges a "triple component" double glazing system which is said to combine all the qualities of the three existing framing materials—hardwood, aluminium and pvc—in one unit.

The new design combines highest - quality rotproof mahogany, durable high-tensile aluminium, tough pvc, and float glass in one engineered unit.

Its patented characteristic involves fully-encased glazing which promises much greater strength and security, with the strong, yet light, aluminium frame being assembled round the glass which is then fixed to the frame.

Exterior frame is ex clusively pure mahogany and because of its indestruct ability, aluminium is used fo the operating frame. The add tional internal insulatin frame is in thermvinyl to pr vent heat travelling throug the aluminium operatin frame to the outside. More o 0235 30240.

★

AN EASILY operated uni called DriKing has bee launched for drying out buil ings quickly without detr mental effects, says Greenha Humidity Control, Broadmea Road, Ruislip Road, Northol Middx. (01-575 4168).

Apart from use as a buil ing drier, it serves we following floor screeding an the aftermath of flooding an fire damage, burst pipes, an so on. It has low runnin costs (3.2 to 7.5 amps) an extracts water up to 45 litre a day.

Around the industry

THE MAN who made refurbishment his particular forte, and whose name is synonymous with the cutting and carving techniques of this specialised area, John Lelliott, is now moving into the management fee field.

The combination of flexibility, cost control and teamwork, is intended to give the client peace of mind from knowing exactly where he stands financially throughout an entire building programme, but with the free dom to make changes at any time.

At the end of a contract, actual final costs are extracted from the Lelliott records, with all discounts credited to the client and the agreed fee applied.

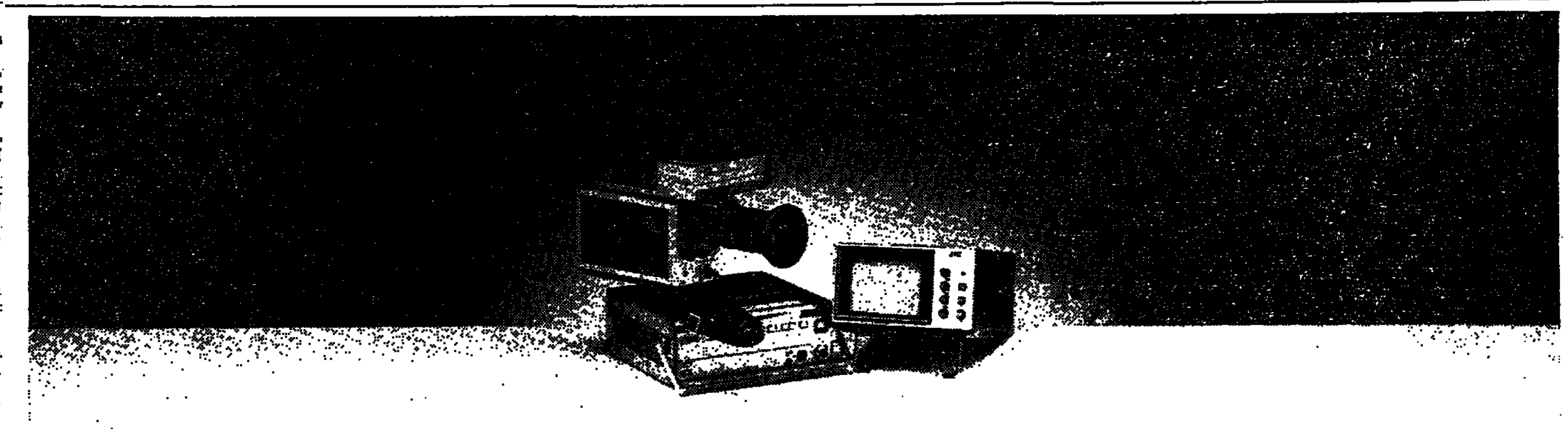
TAKING PART in Arab Health 82 (the hospital, medical equipment and services exhibition for the Middle East) are 57 British exporters of health care products and services.

British companies will form one of the largest natior groups at the event which ope at the Jeddah Expo Cent Kingdom of Saudia Arabia, February 20 next year.

THE 1982 Building Indust Convention has already receiv pledges of interest and suppo from over 75 building indust organisations, including most the major professional associ tions.

A new style event of a ty not previously held in the UK, is described as an upmark event comprising a host activities, and aims to establi a badly needed annual foru as well as stress the role a importance of the Briti building industry in the U economy.

The convention will be he at the Royal Garden Hotel, Lo don, W8, from March 1-5 198 Details from A4 Publication Press House, PO Box 12, Chur Road, Woldingham, Surr (088 385 2051).



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CRUTCHER FINANCE N.V.

FINANCIAL TIMES SURVEY

Monday November 16 1981

European Investment Bank

The Bank, set up by the EEC countries to encourage regional and economic integration, is now an established name in world finance. It has grown rapidly in the last three years and takes pride in its commercial approach to lending.

ising atus ithin ıe EEC

Stewart Fleming

ESTORS WHO spent some ın buying bonds issued by European Investment Bank ı) last year would probably ırprised to learn that they helping to finance the lopment of peat bogs in nd and tea factories in ⁊a. It has not been neces- for EIB's bondholders to particularly closely at the Bank does with the ɔns it raises on the inter- ɔnal capital markets of the d.

ıe Bank is one of the best ⁊n names in world finance ıttle too well known, some ːers have been saying ntly, as they have faced the pect of digesting more EIB ·r) with a Triple-A credit ıg in the U.S. and some (European Currency Unit) bn of loans outstanding to ustomers, the bulk of which und 85 per cent) is guaran- by governments and pub- institutions largely in the ɔpean Economic Commun-

ıt if investors in the Bank's ls do not normally need to ıine in detail what the institution is up to, there is a rising interest in its activities *within the Common Market countries it serves.*

The Bank has been growing very rapidly in the past three years. Loans on its books and its own borrowing on the world's capital markets have doubled in this period. Now, after a decision in mid-summer to double its equity capital base to ECU 14.4bn (it can lend only a total of two and a half times its capital), the Bank faces a further four or five years of relatively rapid growth which could take its assets to around the ECU 35bn mark.

Since it provides on average only about a quarter of the total financing for any particular project and concentrates its operations on particular regions or sectors in accordance with the Treaty of Rome and the broad policies established by the Common Market countries, the EIB can have an influence disproportionate to its now not inconsiderable size.

The EIB is one of the more unusual institutions created by the Treaty of Rome in 1958, poised as it is between the public and private sectors. It owes its birth to the political pressures at the time the Treaty was signed. But from the start, although its raison d'etre was *to promote political and economic integration in the EEC,* it was consciously structured in a way which would give it a degree of political independence from its owners, the Common Market countries.

Today its executives, with half an eye on the international investors whose money they borrow, place great emphasis on the fact that the EIB is a "bank," lending on commercial terms in as much as it is required to assess the commercial or economic viability of the pro*jects its finances.*

But unlike a private bank it does not seek to make a profit. Instead it aims to pass on to *its customers the advantage it* has of being able to raise medium- and long-term fixed interest finance relatively cheaply as a result of its status as a top quality borrower and its freedom to shop around international financial markets for the best terms.

Advantage

In giving its customers longer term fixed interest finance the Bank aims to fulfil the functions laid down for it in the Treaty of Rome, *the principal* one of which was to contribute to the reduction of the regional economic disparities between members of the EEC — disparities which, it was feared, might otherwise widen and hamper progress towards political integration.

The focus then was particularly on Italy, and specifically on the regional development problems of the Mezzogiorno, the country's depressed South. This historical legacy is still clearly visible in the EIB's accounts. Between 1958 and 1980 Italy took over 40 per cent of the Bank's total *lending. Since their entry in* 1975 the regional problems of two other weaker economies, the UK and the Republic of Ireland, have been taking a growing share of EIB's finance, and it is anticipated that now Greece, and subsequently Spain and Portugal, will also make substantial demands on the bank in the wake *of* their entry *into the* Common Market. (In both Ireland and Italy currently much of the EIB's lending attracts a 3 per cent interest rate subsidy provided for by the terms of the agreement which brought the two countries into the European Monetary System, and which is financed from EEC *funds, not from the bank's own* resources.)

Within the EEC, alongside its role in promoting regional economic development, the EIB was also given a brief by the Treaty of Rome to use its financial resources to help particular industries faced with difficult adjustment problems as a result of the creation of the Common Market and to help finance projects which contributed to the integration of the EEC countries and served a "common purpose." This latter range of operations initially led to investments in communications projects such as roads and telephone systems but it has also been employed to justify the sharp increase in the EIB's financing of energy projects since the surge of oil prices in 1973-74.

It was in the mid-1970s too that the EIB began to play a bigger role in countries outside the Common Market as one of the instruments through which the EEC countries conducted their joint financial relationships with the developing countries which had been former colonies of EEC members and with the EEC's Mediterranean neighbours. This field of operations, however, has accounted for only about a sixth of the EIB's total financing activities.

In its operations both within and outside the Common *Market the EIB is only one of* several agencies active in different ways in the fields it covers. Considerable sums for example, are spent directly through the EEC Budget on *regional grant aid, in part* through the European Regional Development Fund. It is the estabilshment of the EIB as a *bank* which gives it its special character.

Thus, as a bank, the EIB must fulfil the previously mentioned requirement to base its lending on its assessments of the economic viability of a project —a difficult task when dealing with private enterprise but doubly difficult when financing a road or sewage disposal scheme for a local authority, for example.

FUNDS RAISED FROM 1961 TO 1980

	Issues — Amount (m ECU) — Private issues	Public issues	Total	Participations by third parties in EIB loans (m u a)	Funds raised (m ECU)
1961-70	335.9	745.2	1,081.1	—	1,081.1
1971	208.0	204.9	412.9	—	412.9
1972	133.4	328.6	462.0	17.5	479.5
1973	207.0	401.0	608.0	4.3	612.3
1974	704.2	121.3	825.5	—	825.5
1975	318.6	495.1	813.7	17.0	830.7
1976	221.0	510.9	731.9	17.0	748.9
1977	321.9	707.6	1,029.5	132.0	1,161.5
1978	509.0	1,353.9	1,862.9	86.8	1,949.7
1979	983.2	1,453.4	2,436.6	44.6	2,481.2
1980	874.5	1,509.0	2,383.5	83.3	2,466.8
1961-80	4,816.7	7,830.9	12,647.6	402.5	13,050.1

ECU

The European Currency Unit (ECU) used throughout this survey is the working currency of the EIB. It is a cocktail of European currencies based on a weighted average; at the end of last week it was valued at $1.097/1.098.

Moreover, it is not burdened with any regulations laying down quotas for its lending to particular countries. *These factors, coupled with its* dependence on international financial markets for funds all help to insulate the EIB from direct political pressures on its lending decisions.

Since its creation some of the more optimistic assumptions about the development of the *Common Market have had to* be revised. Hopes of a growing convergence in the economic performance of the EEC members, a convergence which could readily be promoted with the help of national and Community-wide regional economic support programmes, have been dashed. Instead the economies of the Common Market have been convulsed by a succession of oil price increases and increasing international competition.

These developments have exacerbated the problems posed by diverging economic performance, contributed to a secular rise in the level of unemployment across the Community, *accelerated the decline of whole* industrial sectors such as the steel industry and textiles and raised fear that, far from facing a future of steadily rising living standards and growing prosperity, EEC members are now facing a major challenge if they are to catch up with and keep abreast of developments in the more vigorous of the world's economies.

The performance of the EIB in the face of these changing economic conditions and the enlargement of the EEC to include the UK, Ireland and Denmark in 1973 and of Greece this year, has been bolder than might have been assumed in view of the instinctive conservatism of its leadership and the unpredictable economic landscape it has been operating in.

There are signs, of course, that it, too, has been on a learning curve. With hindsight, no doubt, the EIB might have been better advised to have avoided the heavy commitment of funds it made to help with the restructuring of the British Steel Corporation just after British entry to the EEC (some ECU 340m up to 1977, to help modernisation and restructuring plans). These days the EIB is rather more conscious of the *dangers of investing in declin*ing industries and is anxious to avoid any suggestion that it is being tempted into supporting either "lame ducks" or the workers of one of the Community's members at the expense of another.

That the bank has been able to adjust to the more difficult economic environment in Europe and to pursue lending policies which are relevant to today's conditions is the result of a number of factors. One is the broad terms in which its task was laid down in the Treaty of Rome. Another has been the flexibility the *EIB's* management has shown in looking for ways to keep abreast of the changing economic climate. But of fundamental importance, too, was a policy statement of the EEC Council of Ministers in 1977.

In March of that year the Council specifically encouraged the EIB to put increased emphasis on lending for energy

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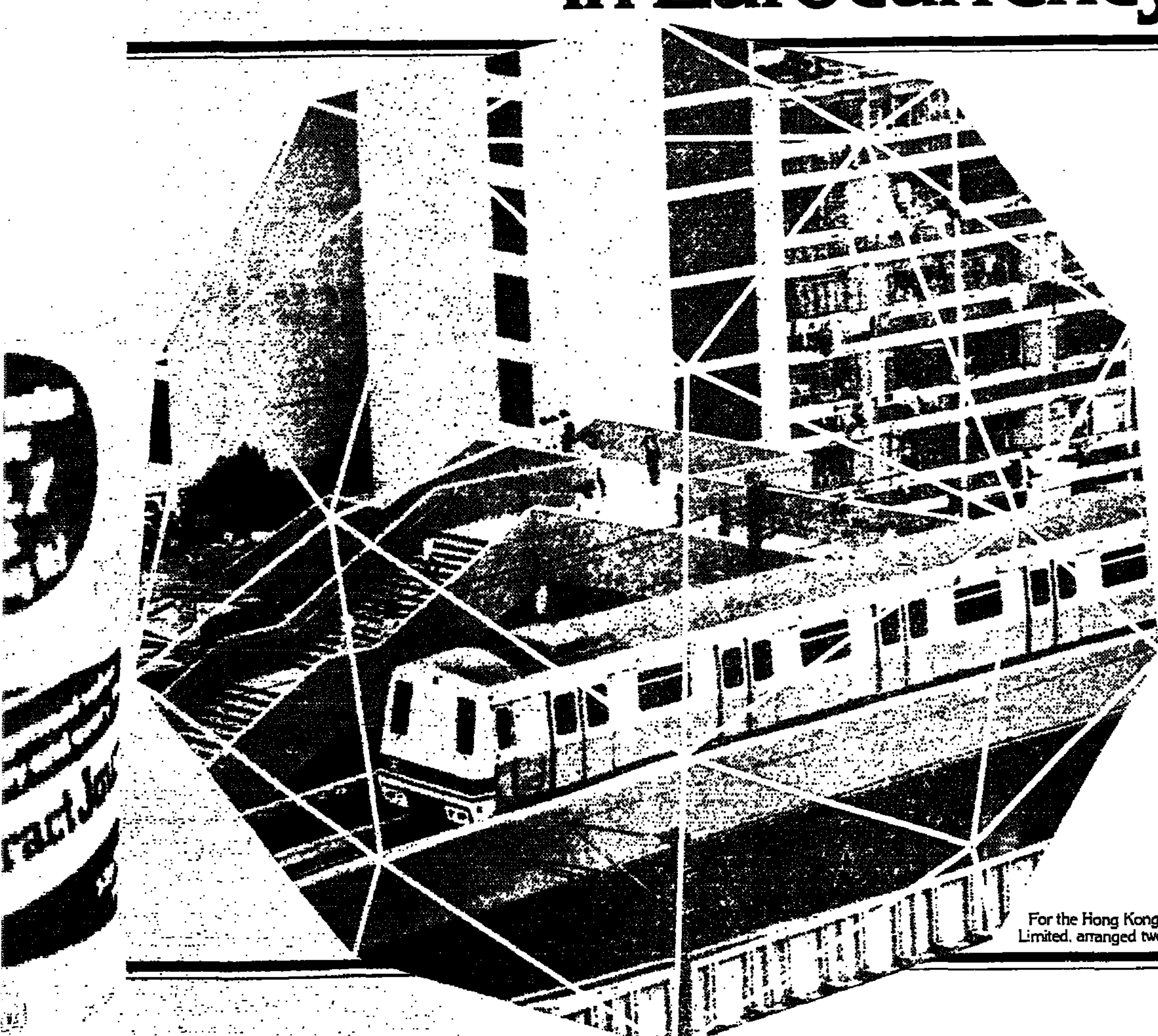

- *Arranging a U.S. $500 million internationally syndicated bank loan for the Kingdom of Spain.*
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Expanding role in Community's foreign policy

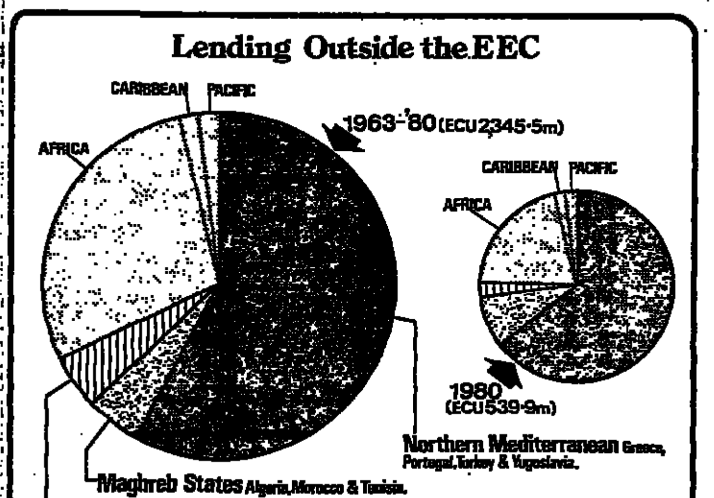
OVER THE past five years, as its role within the Common Market has mushroomed, the European Investment Bank (EIB) has also begun to occupy an expanding position as one of the instruments through which the Community implements some financial aspects of its foreign policy.

In the early years of its existence the EIB's operations outside the Community were a relatively small part of its activities. But it was in these years that decisions were taken to involve the EIB in lending to groups of countries which in recent years have been drawing more heavily on EEC finance. Thus by 1980 some 16 per cent of the EIB's lending, ECU 548m, was directed towards countries which were not members of the EEC.

Although still a relatively small part of its overall operations measured in terms of hard cash, the EIB's activities outside the EEC involve it in relationships which are of vital long-term importance to the Community. The countries it lends to include not only states which are approaching full EEC membership such as Spain and Portugal (and before its entry this year Greece) but also the 60 signatories of the Lomé Conventions which for the most part are former colonies of EEC members such as the UK and France.

A further 14 countries around the Mediterranean, in which the EIB has been active—southern neighbours of the Community—are of political, strategic and economic importance to the EEC. Part of the sharp increase in the EIB's lending to, for example, Mediterranean countries in 1979 follows decisions made in the early 1970s to build up relationships with North African states (Libya is not, however, one of the members of the group) and to sign agreements with them.

Inevitably, within such a wide range of partner countries, the EIB finds itself involved in sensitive political issues. Thus although one of the first countries it lent to was Greece in the early 1960s it had to cut off its financing there during the time of the military dictatorship. It is however still lending in Turkey, where the EEC is following a policy of encouraging a return to democracy.



Network

Its overseas activities thus present a complicated network of in part political as well as financial relationships, complex not only because of the need to co-ordinate its operations with the external policy considerations of the EEC but also because of the number of countries which are involved, the fact that as a group many of them are poorer developing nations and because of the wide range of differing terms on which the EIB lands outside the EEC.

Although some 65 per cent of the funds it now lends is based on the finance the EIB itself raises in international markets, a significant proportion comes from the Community's budget. Budget funds can be applied for example, as under the Lomé Convention, to offer subsidised interest rates on normal EIB lending, or, where for example the EIB is administering funds provided by the Community, to make "soft loans" available for 30 or 40 years at an interest rate of only 1 or 2 per cent, or to carry out a growing range of risk capital lending.

It is tempting to look at the operations of the EIB outside the EEC and conclude that it is playing a role similar to that of other development agencies such as the World Bank. In fact, however, when the historical origins of its activities are taken into account, along with the specific countries where it is operating and the nature and range of its activities, it quickly emerges that this is not the case.

Perhaps the most important difference is that virtually all its operations outside the EEC stem from the direct political interests of the Community or its members—the aid is essentially bi-lateral. Thus its first non-EEC lending began in 1962-1963 and the countries involved were Turkey and Greece, both of which were then working out association agreements with the Common Market. The pace of lending to Greece increased in the years immediately before it became a member of the Common Market at the beginning of this year (and after it had cast off its military dictatorship).

Similar provision has been made now for increased lending in Spain and Portugal in preparation for their joining the Common Market.

A further broadening of the EIB's activities outside the EEC came as part of the agreements signed at Yaounde, Cameroon, which gave 17 African states and Madagascar (for the most part former French colonies) "associate" status with the EEC. Then in 1975, following the accession of the UK to the Common Market two years earlier, the first Lomé Convention was signed. It provided for wider financial and technical aid to 46 countries, many of which had been former British colonies.

On January 1, 1981 a second Lomé Convention came into force which provides (among other things) for up to ECU 5.7bn of development finance for the 60 signatories over the five-year period it runs (compared with the ECU 3.6bn under Lomé I). Under Lomé II the proportion of finance to be provided by the EIB from its own resources has been increased to a ceiling of ECU 1.1bn compared with ECU 400m under Lomé I.

Distinguish

There are other aspects of the EIB's role outside the EEC which tend to distinguish it from more conventional multilateral development lending agencies apart from the EEC foreign policy considerations which underlie most of the activities in which it participates.

Partly because it operates within a framework which includes other development finance agencies within the EEC more heavily committed to disbursing grants and soft loans, the EIB tends to concentrate its activities on lending to energy, industrial, mining or tourism projects. This sort of project lending also fits more neatly into the EIB's public image as a "bank," and with the expertise it has.

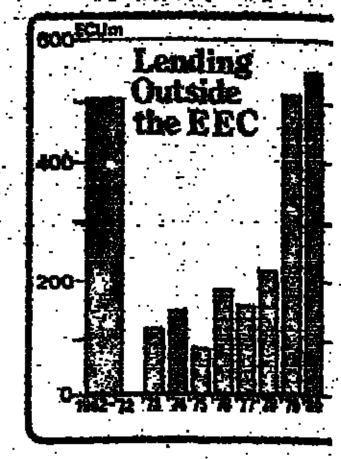
But unlike the World Bank for example, the EIB (which in total for both EEC and non-EEC lending has only 550 employees) does not have the staff or expertise to carry out research and assessment of major infra-structure projects in such areas as education or health.

As it does in the Community the EIB involves itself in economic infra-structure projects such as ports and power stations. In principle, too, it lends on similar terms outside the Community as inside, namely fixed-interest loans, with government or public authority guarantees, financing only fixed assets and not more than 50 per cent of an individual project. It insists too that the finance is used for equipment and services chosen on the basis of international competition, which gives companies within the EEC an opportunity to bid.

Within this overall framework, however, the fact that so much of its financing outside the EEC has subsidies not drawn from EIB funds attached to it and takes place within the framework of a formal EEC agreement with the countries involved means that the conditions attaching to individual lending agreements are much more varied than is the case with its lending within the EEC.

The continued expansion of the EIB's operations outside the EEC over the next five years also now seems to be firmly established, reflecting in part the economic pressures on the EEC's own finances, partly as a result of which the emphasis has shifted away slightly from outright grants to developing countries. Thus under both Lomé II and the agreements now being worked out with the Mediterranean countries it envisaged that the share of t[...] total financing coming from t[...] EIB's own resources and the[...] fore from the world's financ[...] markets will rise.

Stewart Flemi[...]



SOME EIB PROJECTS OUTSIDE THE EEC—1980
(Value in brackets)

Greece—Irrigation of 37,750 hectares drawing on reservoir[...] Ardas River and acquifers in Evros (Thrace). (ECU 27.5[...]

Portugal—Extension of cement production at Souselas n[...] Coimbra for Cimentos de Portugal. (ECU 15m)

Jordan—Extension of electricity transmission and distributi[...] facilities North East of Amman (ECU 4.0m)

Senegal—Modernisation and expansion of groundnut and cott[...] seed processing capacities at Ziguinchor for Soci[...] Nationale de Commercialisation des Oleagineux. (ECU 2.0[...]

Kenya—Construction of ten smallholder tea factories. (ECU 7.5[...]

Main lending categories within the EEC
(ECU m)

	1980	1958-80
Regional development	1,961.4	10,664.8
Common European interest	1,321.0	5,903.6
of which:		
Energy	1,210.7	4,501.3
Communications	103.5	954.3
Modernisation and conversion of undertakings	31.4	274.7
Deduct to allow for financing justified on basis of several objectives	363.0	1,960.8
TOTAL	2,950.8	14,882.0

Rising status within the EEC

CONTINUED FROM PREVIOUS PAGE

projects and to help combat unemployment. The bank had already, since 1973, been moving cautiously towards more lending for energy schemes, but with a clear mandate it was able to press ahead faster. Between 1958 and 1972 lending for energy projects accounted for 17 per cent of its credits in the EEC; between 1973 and 1980 the proportion had risen to 38 per cent of a much more rapidly expanding balance-sheet.

The EIB interpreted what was a very broad guideline from the Council in 1977, equally broadly, helping to finance not just nuclear power stations but also hydro-electric pump storage facilities in places like Snowdonia, the peat bogs in Ireland, of course, and, increasingly over the past 18 months, projects aimed at conserving energy. In pursuing its policies it was crucial for the bank that within the Community there was unanimity that it was in the mutual interest of members to stimulate energy producing and saving investment.

It is the lack of such a clear policy statement over the future of industrial development which helps to explain why the EIB is having to be much more cautious in its approach to another burning issue facing the Common Market — if and how to develop an industrial policy to help revive industrial investment in the Community, particularly in sectors which hold out the prospect for growth in the future.

Although there are those within the bank who would like to see the institution playing a more aggressive role financing growth technologies of the future, the lack of a clear mandate to do this and of course doubts about whether an institution structured like the EIB (or any public institution) can play a significant role in this area prevent the bank from approaching this sort of lending more boldly.

On the other hand the Bank has taken up with zest another of the policy proposals of the Council of Ministers in 1977, namely that it should place more emphasis on projects which stimulate new employment or safeguard jobs. The bank vigorously rejects any suggestion that it is supporting firms which would otherwise fail—but it has been placing greater emphasis on lending to smaller businesses on the grounds that such lending both fits into its obligations under the Treaty of Rome to support regional development, and because there is evidence to suggest that lending to small businesses tends to stimulate relatively more employment in relation to the sums of money involved. The EIB has slightly based the parameters within which it assesses the viability of individual projects.

Mandate

It is also putting emphasis on its "global loan" programme, through which it advances funds to financial institutions in the regions it is working in. It is then the local financial institutions, which select the projects and distribute the funds. The smallest loan under this scheme is normally Ecu 25,000, whereas the minimum for a project which the EIB assesses itself is Ecu 2m.

Fundamental to the EIB's strategy is its position in the world's financial markets. As a first-class borrower at a time when the flow of international funds has been transformed by the surplus revenues of some oil producers and unprecedented swings in international interest rates, the EIB's ability to borrow for ten (and in the U.S. for 20 years) on fixed interest terms and so pass on to its customers medium and long-term fixed interest finance which is often not now available in EEC countries except to governments, is a valuable asset. Its access to the international markets also allows the EIB to play a role in importing capital into the Community.

The scale of its demands on the capital markets have led, however, to fears that if not to-day then at some point in the future the markets will suffer a bout of indigestion and be unwilling to accept more EIB paper for a while. Officials responsible for raising the EIB's finance say such fears are unfounded, and the internal debate within the EIB over whether to start raising floating interest rate funds remains, just that, a debate, in part because such a shift in financing policy would imply also an unwelcome shift towards probably more expensive floating rate lending on the liability side of the balance sheet.

On the other hand the EIB has (like its counterparts in the private sector) been diversifying both the maturities and the sources of its fixed interest funds, increasing, for example, the proportion of private as opposed to public loan issues and packaging and selling with an EIB guarantee participations in its loans in order to raise funds. It has already raised funds in 12 different currencies and feels that it his by no means fully exploited the possibility of selling its securities to oil surplus countries and banks.

With further heavy demands on its funds expected as a result of the entry this year of Greece into the EEC and the expected entry of Spain and Portugal, the EIB is likely to continue to make heavy demands on the financial markets for new funds. That indeed is part of the rationale behind the doubling of its capital base this year. Like many other borrowers around the world nothing would be more welcome to the EIB than a return to the normal pattern according to which short-term interest rates are lower than long, for this would considerably ease the job of raising long-t[...] fixed interest funds. Meanwh[...] however, the EIB is plannin[...] pursue its policy of diversify[...] its financing sources to try[...] ensure that funding does[...] become a constraint on[...] activities inside or oustide[...] Common Market.

EIB LENDING WITHIN THE COMMUNIT[...]
(Breakdown by project location†)

	1980 % of total	1958-8[...] % of tot[...]
Belgium	5.2	2.6
Denmark	3.4	2.1
Germany	0.5	6.1
France	9.5	15.5
Ireland	12.7	7.2
Italy	43.7	41.4
Luxembourg	—	2.0
Netherlands	—	0.7
UK	23.2	23.0

† Excludes certain loans made outside the EEC, therefo[...] columns do not total 100 per cent.

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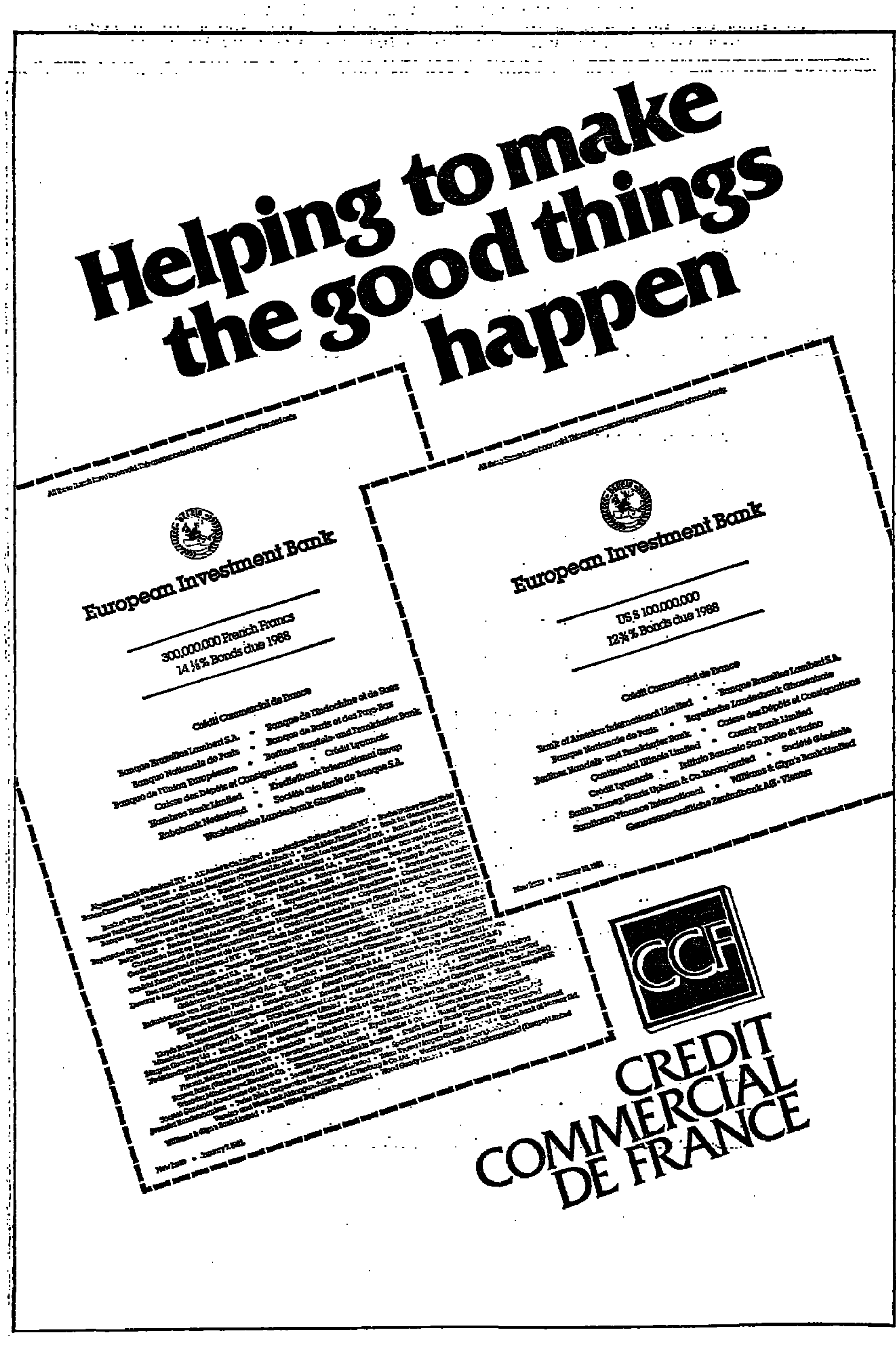

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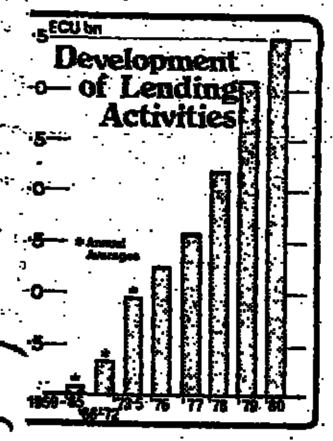
EUROPEAN INVESTMENT BANK III

Enlarged EEC is expected to increase the demands

; RECENT increase in the tal of the European Invest- t Bank was in part a onse to the rapid expansion ie Bank's lending over the three years and the con- ed rapid pace of lending in . This was pushing the total towards the limit of two- a-half times capital. Now, an equity base of ECU on instead of ECU 7.2bn y ECU 540m, 7.5 per cent of total increase, will actually paid in, however, beginning April 1984) the Bank's lend- capacity has been doubled from around ECU 18bn to und ECU 35bn.

mong the factors which led the decision to boost the Bank's capital so sharply—apart from the tactical decision that it is better not to have to keep going back to domestic Parliaments for frequent approval of capital contributions—was the recognition that new entrants into the EEC were likely to make heavy demands on the EIB's resources.



In 1973, when the UK and Ireland joined the Community, expectations that these two countries would draw heavily on the EIB were quickly proved well founded. Next to Italy, a founder member of the EEC, the UK has quickly become the second largest EIB customer, having drawn loans of ECU 3.4bn by the end of 1980, compared with ECU 6.2bn for Italy. Ireland, with loans of ECU 1.1bn, was the fourth largest borrower after France (ECU 15.5bn).

The relative weakness of the UK and Irish economies and the fact that regional problems were common in both countries were among the factors which produced forecasts that the two countries would turn quickly to the EIB. The support of regional development is, under the Treaty of Rome, one of the main criteria governing the EIB's lending decisions. In the case of the UK, moreover, the weakness of sterling in the mid-1970s and the Government's heavy borrowing needs made the drawing of finance from the EIB attractive.

Inevitably there were fears that if the new entrants made heavy demands on the EIB there would be less for other countries. Italy in particular saw itself as the most likely to find its access to the EIB squeezed. In the event these concerns proved unfounded.

Instead the EIB began in the mid-1970s a period of very rapid expansion in its lending both within (and outside) the EEC. So although Italy's share of total EIB lending did decline (it had been 58 per cent between 1958 and 1972 and fell to 36 per cent between 1973 and 1978) the volume of lending in Italy increased sharply, from ECU 426m in 1977 to ECU 1.3bn in 1980.

The latest enlargement of the EEC, the accession of Greece at the beginning of this year, and the expectation that Spain and Portugal will also join the Community have aroused expectations that these countries too will turn frequently to the EIB for funds. All three countries are relatively under-developed compared with the more industrialised of the Community members and will be in a position to qualify for funds not only on the grounds that they face regional development problems but also under the common interest category under which the EIB supports programmes such as telecommunicationsc, roads and energy schemes, which are in the interests of all the EEC members and which help the economic and political integration of the Community.

In the case of Greece the EIB has a long-standing lender relationship going back to 1962 and the time when Greece was applying for associate membership of the EEC. Indeed with loans outstanding of ECU 351m at the end of 1980 Greece was already a heavier borrower from the EIB than Community members such as Denmark (ECU 307m), the Netherlands (ECU 105m) and Luxembourg (ECU 9m) and not far behind Belgium (ECU 386m).

Portugal too already has a substantial relationship with the EIB, with loans outstanding of ECU 301m at the end of 1980 which are in part the result of special help advanced from the EEC in the wake of the revolution but also as a result of the Community's policy of building its relationships with its Mediterranean neighbours.

And Spain has recently signed a pre-accession agreement with the EEC which will shortly lead to it having access to higher EIB loans.

Stewart Fleming

Ireland emerges as the best customer

E REPUBLIC of Ireland is loubtedly the European estment Bank's best custo- . The Bank's loans of more n I£700m to Ireland account nearly 13 per cent of its il lending.

'his is out of all proportion Ireland's relative size as a ion. It contributes just 0.75 cent of the Bank's capital, example. Even more remark- e is that fact that it is the rd largest borrower in olute terms, after Italy and UK.

'he cynic might say this is t another example of land's recently awakened but acious appetite for borrow- . Nearly everyone in Dub- agrees that borrowing for- rent purposes ought to stop, some economists—and the me Minister, Dr Garrett zGerald—have also expressed ihts about elements of the ital programme.

'hey argue that some projects ded from borrowings may er show a return. Some, it aid, will be lossmakers from start. It is possible that nents of the last Govern- it's I£700m investment pro- nme will be cut to help ore order to the public nces.

'he criteria imposed by the for its lending mean that , if any, of the projects need by it will face the axe. eed, the application of simi- strict rules to all Irish public estment might have made the icisms stillborn in the first ce.

'here are of course good sons why *Ireland should* be a vy borrower for capital poses. The economy is eloping, and to realise its ential there will have to be siderable investment in tele- imunications, transport, er and sewerage.

Promote

Jntil the recession Irish ustry was the fastest growing the EEC and this meant esiment growth of up to 17 cent per annum. It is just kind of development that Bank is meant to promote.

'here is another, special son for the sharp rise in h borrowing from the EIB, ich saw the 1978 figure of 8.5m jump to I£168.1m in '9 and to I£224.7m in 1980.

Vhen Ireland joined the ropean Monetary System MS) special arrangements re made to help Ireland and ly. For Ireland these involved erest subsidies amounting to 5m a year each year until 3 on funds borrowed from EIB.

'unds were also made avail- e through the so-called Ortoli ility, or New Community trument, although in practice se are usually lumped in h EIB loans.

'o get the full subsidy it is essary to borrow almost 00m a year, so the hunt was for suitable projects. In t the amount of development quired in Ireland is such that great difficulty was ountered. Department of iance officials have no doubt t they will be able to qualify the full subsidy right up to 3.

The Department asks the nding Ministries to come up h projects which might be table for EIB funding. The blic capital programme CP) is drawn up, however, on basis of what the Govern- nt believes is required, her than the likelihood of 3 loans.

That funding is considerable, though, accounting now for about a fifth of the PCP. This year, for example, the Government submitted a major programme of roadworks for EIB loans, on the basis that the project would be funded through to completion.

The normal procedure is for an assessment visit from the *Bank to examine the project.* The team usually consists of a technical expert on the type of scheme involved, an economic expert and a banker. If they agree, the application goes to the EIB Board of directors for approval.

EIB LOANS TO IRELAND

(I£m)

	Exchequer	Non-Exchequer	Total
1973	7.5	3.6	11.1
1974	9.5	15.3	24.8
1975	17.5	4.5	22.0
1976	16.0	19.4	35.4
1977	52.1	—	52.1
1978	48.5	30.0	78.5
1979	97.8	70.3	168.1
1980	137.7	87.0	224.7

But not all the loans are channelled through the Exchequer. The Irish nationalised industries — or semi-states, as they are usually known—are substantial takers of EIB funds. The two biggest customers are the Electricity Supply Board and the peat development company Bord na Mona.

The semi-states submit their projects themselves, although the Department of Finance keeps a close eye on things. The ESB has borrowed heavily for the construction of a major *coal-fired* station to reduce its heavy dependence on oil. The latest such loan totalled I£40m.

The EIB has also been happy to fund Bord na Mona's development of an indigenous energy source which is now more than competitive with oil. This includes increasing the capacity of the small turf-fired power stations. Many of these projects qualify for the EMS subsidy which adds to their attraction, but the long-term, fixed-rate nature of the loans is also an incentive.

The semi-state companies must carry the exchange risk of borrowing in foreign currencies. That risk has crippled attempts to use EIB funds for private industrial development.

Earlier this year the Industrial Development Authority (IDA) announced a new scheme whereby the EIB would make IR£10m available for industrial projects. The scheme was unusual in that the IDA was to administer it and so could add the availability of the finance to its incentive package.

True, the EIB wanted commercial bank guarantees as well but the failure of the scheme so far — none of the money has been lent — is thought to be because the exchange risk factor outweighs the benefits of the low interest rates.

Two categories of customer can avail of EIB funds without exchange risk. Small firms and farmers can borrow through the state development banks — the Industrial Credit Company (ICC) and the Agricultural Credit Corporation (ACC).

The ICC has on-lent some IR£75m of EIB funds and the AC about IR£10m. The popularity of these loans is due to the fact that the exchange risk is covered by the Government. But the ICC loans are limited to firms employing less than 100 people and having net fixed assets of less than IR£1m.

The money can be given only for fixed asset investment, up to 50 per cent of the total cost. There must also be some element of job creation or maintenance, such as investment in re-equipment.

But there are enough customers for the ICC to be ready to take another IR£15m and to have just celebrated lending to its 1,000th customer.

Future trends may not be so clear. The new funds will have to be on-lent at close to 14 per cent. Although this is some four points cheaper than the average small Irish company would have to pay at home, financial controllers may feel it is too high a rate to be locked into for ten years, which is the ICC fixed term.

Moreover, just how much exchange risk will the Government be prepared to cover? Officials estimate the cost of what is, in effect, a subsidy, at IR£400,000 this year. It is a small enough sum but it is only two years into a ten-year scheme with long-term exchange movements uncertain, to say the least.

Nevertheless, it can be argued that the ICC loans are among the most effective users of EIB funds. They provide finance which companies involved might find difficult to raise elsewhere and on terms which enable companies to plan accurately and are ideally suited to the typical cashflow situation of a new venture.

The Exchequer and the semi-state companies could, after all, borrow money elsewhere and Ireland's international credit rating is still good. So have the EIB facilities actually encouraged investment which would not otherwise have taken place?

There is no definitive answer but the EMS subsidies in particular may have speeded up the process of development. Telecommunications is a good example.

As one official put it: "We might have got along without the EIB in the first year or two of EEC membership. But now its existence is taken into account when planning the PCP and it is an important resource."

He summed up the attractions of EIB money as "long-term, competitive and readily available." For the same reasons no sharp fall in borrowing is expected when the EMS scheme ends, although the rate of increase will probably slacken.

Ireland is likely to be the most frequent applicant to the EIB for many years to come.

Brendan Keenan

Britain's link man

"MY PREVIOUS job was genuinely an advisory job. When you went to lunch all the decisions were taken by somebody else. Now the buck stops nearer to home."

With these words Mr Richard Ross, British vice-president of the EIB, leaned back in his chair, lit a cigarette and reflected on his past activities. His "previous job" was as deputy secretary in the UK Government's Central Policy Review Staff, better known as the "think tank."

How did he come to the EIB to serve from 1978 as one of the four vice-presidents? "I was asked whether I'd like to come to the bank and I said yes," he responded. "Besides," he added with a twinkle in his eye, "seven and a half years in the advisory job is long enough for anybody."

"You can get stale," he continued. "When the same problem comes up for the fourth time you would rather that someone else dealt with it."

But the former Oxford lecturer and professor of economics at the University of East Anglia is now busy dealing with problems he enjoys solving. He is part of the EIB's management committee, the elite group of five which passes judgment on all loan proposals.

Like his president, Mr Ross is a believer in group decision making. "The doctrine of collective responsibility really holds," he explained.

But there are specialist areas of responsibility. "I take the lead in dealing with the bank's relations with the UK for reasons which are obvious."

Mr Ross retains a "base" in London but says he likes living in Luxembourg. "It's a place where you can be in the forest in a few minutes," he said with a smile.

Although a consummate Englishman, he is also a European. Most of his work is done in English but when it comes to dealings on the Continent, Mr Ross admits to speaking "a variety of French."

Alan Friedman

EXAMPLES OF EIB LOANS WITHIN THE EEC

(value in brackets)

Belgium—Construction of third unit of Doel (Antwerp) and second unit of Tihange (Liege) nuclear power stations. (ECU 123m)

Ireland—Development of harbour facilities for commercial fishing at Killybegs and Greencastle (Co Donegal) and Howth (Co Dublin). (ECU 8.8m)

Italy—Extension of Pertusillo aqueduct for supplying drinking water to central Apulia. (ECU 41m)

UK—Rebuilding of aluminium smelter with reduction of specific electricity consumption at Lochaber, Fort William, for British Aluminium. (ECU 26m)

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Dfls	40 million	5¾%	1965 due 1990	Dfls	75 million	8%	1977 due 1984
Dfls	40 million	6¾%	1968 due 1988	Dfls	75 million	7¼%	1978 due 1985
Dfls	60 million	8¼%	1970 due 1975	Dfls	125 million	7¼%	1978 due 1993
Dfls	75 million	7¾%	1971 due 1986	Dfls	75 million	8¼%	1979 due 1986
Dfls	50 million	7¾%	1972 due 1987	Dfls	150 million	9%	1979 due 1994
Dfls	50 million	6%	1972 due 1982	Dfls	150 million	10½%	1980 due 1995
Dfls	50 million	9½%	1974 due 1979	Dfls	150 million	10¾%	1980 due 1993
Dfls	75 million	9%	1975 due 1982	Dfls	100 million	12%	1981 due 1991
Dfls	75 million	8¾%	1975 due 1990	Dfls	200 million	12¾%	1981 due 1993

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US$	25 million	6½%	1967 due 1987	US$	60 million	9½%	1975 due 1985
US$	30 million	8¾%	1970 due 1975	US$	50 million	8¾%	1976 due 1988
US$	30 million	8¾%	1971 due 1986	US$	75 million	8¼%	1976 due 1983
FF	100 million	7¾%	1971 due 1981	Yen	10 billion	7¼%	1977 due 1984
US$	25 million	7¾%	1971 due 1978	£	25 million	9¾%	1977 due 1992
US$	25 million	8½%	1971 due 1986	US$	75 million	8%	1977 due 1984
US$	50 million	7¼%	1972 due 1987	US$	50 million	8¼%	1977 due 1987
US$	75 million	7%	1972 due 1987	US$	50 million	8¾%	1977 due 1992
US$	50 million	7½%	1972 due 1990	US$	100 million	8½%	1978 due 1988
FF	200 million	7¼%	1973 due 1988	US$	100 million	8¾%	1978 due 1993
Eurco	30 million	8¾%	1973 due 1988	£	25 million	9¾%	1978 due 1988
US$	75 million	7¼%	1973 due 1988	Yen	15 billion	7¾%	1979 due 1989
US$	60 million	8%	1973 due 1988	£	20 million	13%	1980 due 1991
US$	30 million	8½%	1973 due 1988	US$	100 million	9¾%	1980 due 1987

Ecu 40 million 13¼% 1981 due 1989

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Decade as chief

"IN THIS house we don't attach very much importance to individuals. We are more collective."

These are the self-effacing words of M Yves Le Portz, president of the European Investment Bank. M Le Portz, a quiet Frenchman who was sent to Algeria as director-general of finance by General de Gaulle, has been with the EIB for nearly two decades.

M Le Portz joined the EIB straight from Algeria as a vice-president in 1962. He was elected to his first six-year term as president in 1970 and re-elected in 1976.

"*When I arrived here,*" he recalls, "the *bank* was *in* its infancy. We had to recruit staff and make the bank work." In 1962 the bank had a staff of less than 100: today there are more than 500.

M Le Portz says he has always tried to keep the bank as small as possible in terms of staff "because we believe in the virtues of being small. We have to be modest about our role," he continues. "What we do is supplement financing for important projects."

Nevertheless, M Le Portz is a firm believer in the European Community and feels it is absolutely necessary for the Community to increase investment. He sees the EIB as a contributor to Community growth, but not a key player: "We cannot solve the problems of the region simply by lending," he points out.

As for his own future, M Le Portz shrugs off any speculation about a third six-year term as president. At the age of 60 he still feels and looks active and willing to serve.

Alan Friedman

Colin Amery, Architecture Correspondent, looks at some of the principal features of the Bank's new headquarters.

A building in contact with the landscape

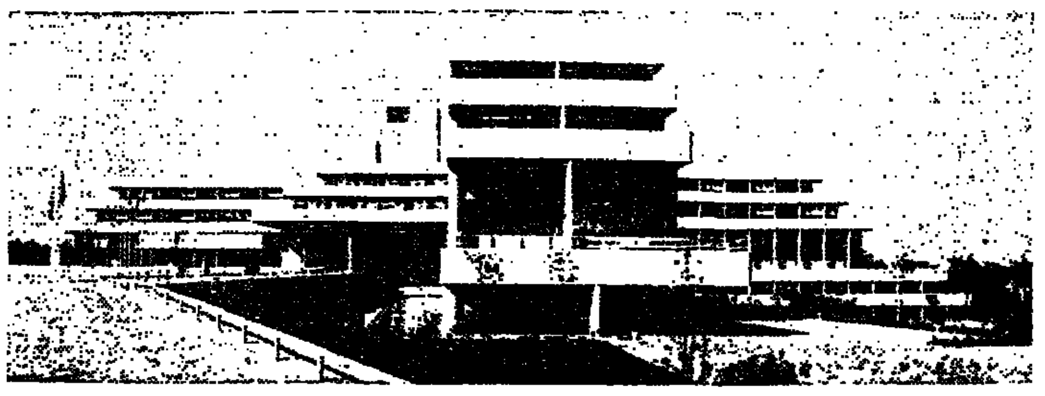
THE NEW headquarters of the European Investment Bank stand on an impressive and dramatic site in the City of Luxembourg. The landscape of the Grand Duchy is a distinctive one of rocky ravines and elevated plateaux and the Bank buildings occupy a part of the Kirchberg Plateau which forms the meeting place of two ravines.

This is an area of the country which the Luxembourg Government has set aside for institutions of the European Economic Community. Among the building's neighbours are those of the European Parliament, the European Court of Justice and some of the offices of the EEC Commission.

The architect for the new building is Sir Denys Lasdun, who was chosen, after some preliminary interviews, from among several other British architects. In England Sir Denys is best known as the architect of the National Theatre on the South Bank of the Thames. His other London buildings include the Royal College of Physicians in Regents Park, a distinguished block of flats overlooking Green Park and the new London offices for IBM that are being built at this moment alongside the National Theatre.

It was in 1973 that the appointment of Denys Lasdun's firm—Denys Lasdun, Redhouse and Softley—was confirmed by the Bank. Interestingly enough this was the first time that an institution of the Common Market had appointed its own architect. The normal practice with EEC projects is for them to be built by the governments of the host countries and then leased to the various institutions.

There is a good representation of other professions from member countries of the Community. The British engineers (Scott Wilson Kirkpatrick and Partners) worked as a team with Belgian (Progeco) and German (HL Technik) services engineers. The complicated procedure of adapting bills of quantities and UK quantity surveying procedures to Continental usage was carried out by Widnell and Trollope. The main contractor was the West German group Philipp Holzmann.



The north-east elevation with approach to forecourt on the left

A complex schedule of accommodation was prepared by the Bank in association with Bouwcentrum of Rotterdam. This took account of the particular communication needs of the Bank and its internal organisational structures. There is room within the new headquarters for staff to grow to 800, from its present 500. Because of the skilled nature of the work undertaken by the Bank the staff consists principally of highly qualified experts in the fields of banking, economics, law, administration and languages. These international experts, recruited from the member states of the EEC, need individual offices—with some offices for two or three.

Another requirement of the Bank was that the new building should respect the surrounding woods; to meet this the architect from the beginning determined that the building should not be higher than the trees. On energy-saving and environmental controls the Bank decided from the start that it wanted a building where the windows opened and there was not reliance on air conditioning. Contact with the landscape was seen by the architects as an important factor in the working environment and it is one of the most agreeable aspects of the whole ambiance of the building.

The great success of this building is the way that as soon as you see it you are aware of the careful way it is inserted into the site. It is cruciform in plan and the long arms of the cross make a long low horizontal building that rises gently from the site. The arms open to form a welcoming entrance forecourt and from this point you see right through the centre of the building to the wonderful views of the landscape beyond. The wings of the cruciform plan are unequal in length, taking advantage of the maximum and minimum lengths of the site.

The entrance to the Bank is through a *porte cochère* and the wings of offices stretch away to the left and right. Immediately ahead are the official areas for conferences and EEC signing ceremonies. The entrance to the conference room is via a grand staircase. Broad flights of steps lead down through a triple height space with splendid views.

Height is an ennobling asp of architecture and here it employed with tremend effect. The walls are made o natural finished concrete i silver grey granite aggreg The coffered ceiling crosses great space on the diago creating a geometric tens that is almost classical. On of the main conference ro there is a smaller treaty si ing room with glass walls s rounded by a pool filled w gently moving water.

It is here that the elemer qualities of Denys Lasdu architecture seem to h reached a level of refinem that we have not quite seen any of his British buildings is also in this great pul sequence of spaces that whole point of the archite concern with a processional perience through the building evident.

But its chief distinction that it represents the v serious concern of the ar tect to express through designs a sense of commitm to European humanism.

Dependence on capital markets for borrowing

"WE ARE an excellent borrower. I don't think you could find, in the market, a *better institution. But we have* to adjust our borrowings to the absorption capacity of the market."

This is the plain-spoken view of Yves Le Portz, president of the European Investment Bank, on the credit-rating and borrowing power of his bank. There can be little dispute about the fact that the EIB is a Triple A borrower and there can be even less dispute that the Bank must fine-tune its funding requirements very carefully given its voracious appetite on the world's capital markets.

Like the World Bank and other similar supranational institutions, the EIB depends on capital markets for its oxygen. *Article 22 of the Bank's statute* declares very simply that "the Bank shall borrow on the international capital markets the funds necessary for the performance of its tasks." The article goes on to say that the Bank may borrow on the capital market of a Member State in certain cases, but adds that the competent authorities in the Member States may refuse to give their assent if there is reason to fear *serious disturbances* on its capital market.

These are difficult times on the world's capital markets and the EIB is a major borrower. The high level of interest rates and the abundance of outstanding EIB bonds are making its job more difficult. While the job of assessing and preparing EIB loans to clients is a difficult task, some would argue that the funding of EIB operations is twice as challenging an exercise.

Between 1961 and 1980 the EIB raised a total of 13bn ECUs through 386 separate issues and loan participations. Of this total, 7.8bn ECUs were raised through public issues. In *1980 the Bank made calls on* financial markets amounting to 2.47bn ECUs as against 2.48bn in 1979 and 1.95bn in 1978.

This year the EIB will have raised a total of about 2.5bn ECUs, not a significant change on 1980. These figures should be compared with the total volume of new international bond issues; the EIB's share of issues over the past two to three years has generally comprised *6 to 9 per cent of the* total.

Is this too much? Is there an excess of EIB paper in the world's capital markets? Many bond dealers in London, Frankfurt and Zurich seem to think so. One seasoned trader explained: "We cannot keep taking EIB issues over and over again. It doesn't matter that they are a quality-rated borrower. There is simply a limit to the amount of EIB paper we can put into our clients' portfolios."

Too little

M. Andre George, the EIB's director of finance and treasury, *disputes this view. The average* portfolio holding of EIB paper, he reckons, amounts to 2 or 3 per cent, and this, he feels, is far too little.

With the doubling of the EIB's subscribed capital to 14.4bn ECUs, and the attendant loan leveraging capacity at 36bn ECUs, the Bank probably will borrow significant amounts over the next five years. But neither M George nor M Le Portz foresees any problem in the future.

"We certainly are the largest borrower on the Euromarkets," M Le Portz admitted. "But so far the response has been good." How much will next year's borrowing requirement be? M Le Portz explained: "I can't read tea leaves. If interest rates decline we will borrow more than 2.5bn ECUs next year. If the market stays difficult we will borrow less."

But there are ways of borrowing without actually using the EIB's name as a borrower. One such way is the use of the New Community Instrument (NCI), better known as the "Ortoli facility." This is an arrangement with the European Community which allows for issues to be made in the name of the EEC and the proceeds to be deposited with the EIB.

Until recently, the limit on NCI borrowing has been 1bn ECUs. It has now been increased to 2bn ECUs and the EIB expects the further 1bn to be taken up through EEC issues over the next two years, at a rate of roughly 500m ECUs a year.

EIB officials always feel uneasy when people speak of an excess of EIB issues in the market. They point out that the Bank is a frequent borrower and that its constitutional make-up requires it to borrow to fund itself.

M George is convinced that through a diversified programme of borrowing the EIB can meet all its requirements in the next few years. "We have not exhausted our borrowing capacity in the public and private markets," he explained. In particular, he believes the EIB has not yet got its "fair share" of money from OPEC countries and from Japan.

According to M George, the EIB has a number of methods for coping with a difficult period in the capital markets. These methods include flexibility in currencies, the use of the Ortoli facility, the use of participation certificates and a number of private placement techniques.

The EIB borrows in a dozen currency markets; these are the *Eurodollar, the D-Mark, the* Swiss franc, the Dutch guilder, pound sterling, the French franc, the Belgian franc, the Luxembourg franc, the Japanese yen, the Austrian schilling, the ECU and the U.S. dollar in the Yankee bond market.

Supplement

Like M Le Portz, M George refers to the Ortoli facility as a useful supplement to EIB issues. "When the market feels it might be difficult for the EIB to come with another issue, the EEC may come instead," M George said.

Another helpful device is the sale by the EIB of participations in its loan portfolio to third parties. Between 1972, when this practice started, and 1980, this technique was used to raise 403m ECUs, not a large amount, but not to be ignored either.

The least publicised EIB borrowing method is its operations in the private capital sector. This year about 50 per cent of all EIB borrowings will h been private transactions.

EIB private placements t several forms. There are ba to-bank transactions, usu medium-term loans for a five 10-year period. There are the more common private pl ments of bond issues in up a dozen currency markets. year these two techniques account for half of the E private placements, or a qua of total 1981 borrowing.

Less well known are borrowings through inst tional investing groups such insurance companies and porations. There are also spe placements through governm finance ministries, but it difficult to estimate the siz such activities, especially in Middle East.

The one borrowing techni which the EIB does not us that of floating rate notes. EIB's borrowings and its l to clients are all in fixed transactions. This is bec long-term fixed rate financ the raison d'etre of the ban

Alan Friedm

During the last ten years

Kredietbank International Group

managed or co-managed 45 issues for

European Investment Bank

These issues represent an equivalent of about

US $ 2,000,000,000

European Investment Bank	Lux F	400,000,000	1971/86	BF	1,500,000,000	1977/85	European Investment Bank
European Investment Bank	FF	100,000,000	1971/81	US $	100,000,000	1976/88	European Investment Bank
European Investment Bank	FF	175,000,000	1972/87	US $	100,000,000	1978/93	European Investment Bank
European Investment Bank	US $	50,000,000	1972/87	US $	60,000,000	1978/86	European Investment Bank
European Investment Bank	US $	75,000,000	1972/87	FF	200,000,000	1978/88	European Investment Bank
European Investment Bank	Lux F	400,000,000	1972/87	Lux F	500,000,000	1978/88	European Investment Bank
European Investment Bank	US $	75,000,000	1973/88	Lux F	250,000,000	1978/88	European Investment Bank
European Investment Bank	FF	200,000,000	1973/88	BF	2,500,000,000	1978/86	European Investment Bank
European Investment Bank	Lux F	500,000,000	1973/88	£	25,000,000	1979/91	European Investment Bank
European Investment Bank	Eurco	30,000,000	1973/88	¥	15,000,000,000	1979/89	European Investment Bank
European Investment Bank	US $	30,000,000	1973/88	A Sch	500,000,000	1979/89	European Investment Bank
European Investment Bank	Eurco	60,000,000	1974/89	Lux F	600,000,000	1979/91	European Investment Bank
European Investment Bank	Lux F	400,000,000	1974/81	BF	2,500,000,000	1979/87	European Investment Bank
European Investment Bank	US $	60,000,000	1975/85	¥	15,000,000,000	1980/90	European Investment Bank
European Investment Bank	US $	100,000,000	1975/80	SF	80,000,000	1980/90	European Investment Bank
European Investment Bank	Lux F	500,000,000	1975/85	SF	100,000,000	1981/91	European Investment Bank
European Investment Bank	BF	1,500,000,000	1975/85	FF	300,000,000	1981/88	European Investment Bank
European Investment Bank	US $	50,000,000	1976/88	BF	2,000,000,000	1981/87	European Investment Bank
European Investment Bank	US $	75,000,000	1976/83	ECUs	40,000,000	1981/89	European Investment Bank
European Investment Bank	Lux F	500,000,000	1976/84	US $	100,000,000	1981/88	European Investment Bank
European Investment Bank	Dfls	75,000,000	1976/83	Lux F	600,000,000	1981/88	European Investment Bank
European Investment Bank	¥	10,000,000,000	1977/84	ECUs	45,000,000	1981/89	European Investment Bank
European Investment Bank	Lux F	500,000,000	1977/87				

KREDIETBANK

KREDIETBANK
S.A. LUXEMBOURGEOISE

How the loans system works

AS THE potential borrower is quickly likely to discover, the EIB is not a charity institution and it is constrained in its activities by a tight set of guidelines outlined in its statute. These criteria include the three categories of regional development projects, modernisation projects or projects of common interest to several EEC countries or the community as a whole.

EIB loans may be made to both public and private institutions, to government projects or to individual companies. There are also a number of indirect loans made to small business ventures through "global" loan packages.

The EIB's loans are entirely in the form of long-term fixed-interest facilities. Mr Richard Ross, the British vice-president of the EIB, explained: "We provide what in the UK would be called old-fashioned debenture finance."

More than 100 EIB loans will have been agreed this year and the loans are provided in a cocktail of European and other currencies. Theoretically, the client should be able to request any mix of currencies it desires, but the package is generally conditioned by the availability of currencies in the EIB's coffers.

Reason

How is an EIB loan put together? Mr Dennis Kirby, a member of the loan division of the bank explained that most loans "start with a telephone call."

"Someone rings up and says he has a project which he would like us to consider. The reason people come to us is that our loans are cheaper than many others and ours are of a type not normally obtainable elsewhere."

In the initial telephone conversation, the potential client usually provides details of the project, the amount required, who else is participating in the financing and where the guarantee will come from. This last point is crucial as 90 per cent of the EIB's loans are guaranteed by governments.

"We can usually say right away on the telephone that this particular project looks all right, or no, it is not really on," says Mr Kirby. On rare occasions, the telephone call will suggest a "borderline case" which requires further details.

More than half of the EIB's business is repeat business and this is one major reason why an EIB executive can make a tentative judgment so quickly on the telephone.

The next step is for the borrower to send a "dossier" to the bank, complete with the last three annual accounts, a statement about the project, details about costs, the financing plan and the project's impact on capacity or the region.

EIB loans may be made for up to 50 per cent of the total financing cost, but the size of a loan is frequently smaller. The EIB is rarely the leader of a financing package, but its presence in a loan can be important in boosting confidence in a project. This is partly because of the EIB's rigorous project assessment, but also because of the semi-official psychology the presence of the EIB creates.

Nevertheless, there is another reason why other banks are usually willing to join with the EIB in project financing. The overwhelming majority of EIB loans are made to ventures which fall in the *low- to medium-risk category.* The EIB rarely engages in speculative ventures.

The next step in the odyssey of an EIB loan is for copies of the dossier to be sent to the three divisions within the Bank which do the assessment of the venture. The research department, composed largely of economists, reviews the loan request to determine its likely impact upon the region in question and also ensures that the project meets the eligibility criteria laid out in the statute of the Bank.

Technical

The technical department, composed of engineers, reviews the request to ensure it is technically and commercially sound.

The operations department then coordinates the request and acts as the conduit for further projects. This division is comparable to the corps of loan officers in a commercial bank.

After the three divisions have reveiewed the request, a preliminary decision is taken on the loan and if it is favourable, the next step is the preparation of a four-page report which is sent to the Bank's management committee. The management committee, composed of the president and the four vice-presidents, meets every Wednesday to examine requests and may then authorise a formal "investigation."

It is at this stage that a team of loan officers, technical and research department staff arrange to visit the potential borrower on site. They return from their examination and produce detailed reports which are synthesised into another four-page report for the management committee.

If the management committee agrees that the loan is viable, the package is presented to the Bank's board of directors, which meets seven or eight times a year to approve loans. The next step after board approval is an offer on specific fixed-rate financial terms.

At the same time, the government concerned and the European Commission are both informed of the loan. If no objections are filed within two months the loan has made it through the cycle.

An average EIB loan takes about three months to process from telephone inquiry to the time of signature. The money is usually disbursed within 10 days of the *signing* ceremony.

Growth

Between the time of its establishment in 1958 and last *year, the EIB has lent a total* of 14.9bn ECUs within the EEC and 2.4bn ECUs to non-EEC countries. About 50 per cent of these loans were made within the past three years, illustrating the tremendous growth since the late 1970s.

Lending is a function of demand and availability of funds. The EIB does not have an annual budget of expected loans, nor does it have specific regional quotas. It operates on the basis of requests *from* eligible borrowers. Whereas Italy, the UK and Ireland have dominated the loan portfolio to date, with 40 per cent, 23 per cent and 15 per cent respectively, the accession of Greece to the European Community is seen as a new factor and the size of loans to Greece is likely to increase shortly.

The EIB's lending programme is also a function of its ability to raise funds on capital markets. While EIB executives claim they have not been constrained by any problems related to these markets, critics of the bank point out that the health of capital markets may be an increasingly important influence on the EIB.

An equally important factor is the relative lack of demand for loans in the current recession. Bank executives admit that demand is down on recent years and it may be some time before major capital investment projects are again in vogue.

A.F.

Job of selling

"I STILL belong to the *Minis* of Finance in Paris," rema M. Andre George, the EI manager of finance a treasury. He thought he mi only be with the EIB for thr to four years when he w seconded from the Ministry 1974, but he is now a househo name in the Euromarkets, t man who must sell EIB pap to managers and investo around the world.

At the age of 59 M Geor has one of the most diversifi backgrounds of anyone at t EIB. *Born near Paris*, he hol a doctoral degree in economi and is a graduate of the Eco Nationale de Langues Orie tales.

In 1949 he was sent to Sout East Asia as a member of t staff for financial services the French High Commission Indochina.

In 1954 he was attached the Finance Ministry and lat served as financial attache the French embassy in Was ington. M. George was also a alternate director for Fran at the World Bank.

In the early 1960s he becam a French delegate to the U and wrote a book calle *Banques et Institutions Fina cières aux Etats Unis.* Co pared to the UN, says M George: "This organisatio [the EIB] is much more pr ductive."

By 1962 he was back in Pari as Financial Counsellor fo Africa. For the decade fro 1964 to 1974 M. George wa seconded to the Sociét Générale as director of externa affairs.

M George is very much th man-on-the-spot when it come to raising money through th international capital markets He defends the EIB's name and techniques with vigour.

"Although we are not a profit-making institution, we must compete with the public and private sectors," he declares. "If we are not competing then we are not doing our jobs."

A.F.

Eccentric fares decision

THE WEEK IN THE COURTS

BY JUSTINIAN

ɔ OF some procedural ɔout consultation with on Boroughs and the lirections to be given London Transport , plus some judicial from Lord Denning Justice Watkins that udicious if not un- (because they veered realm of politics) the Appeal's decision last lap down the Greater Council's 25 per cent on London's buses and -ins deserves to be the most significant tion between the law al policy as reflected of Parliament.

confronted with the about what Parliament in the Transport Act 1969 would have instinctively with to the date of the The Labour admini- that launched its into a statute regulat- don Transport would iave approached the purely commercial ɔut rather on socio- grounds.

Justice Watkins' aside as a counsel of despair that a modern urban system cannot be run ofit exhibits a judicial that is hard to credit. Conservative Opposi- he May local elections assert that it was to subsidise the Transport Executive tes. Their only cry was y, when in power, had e balance, between from fare-paying pas- and the general body of ratepayers, about right. l, the decision of the al Court (which was .) was based upon an whether the Labour London Council had ped the mark by fares too drastically and placing too great a upon ratepayers.

there anything in the e used by Parliament 969 Act to displace the ɔression that the Greater Council should organise and tube services on ɔnomic lines? Excessive was placed on the ord "economic" to indi- linary commercial con- ɔns. To lift that highly ɔus word from its con- calculated to mislead. ɪreater London Council's duty in section 1 of the Act is "to develop policies, and to encourage, organise and, where appropriate, carry out measures, which will promote the provision of *integrated, efficient and economic* transport facilities and services for Greater London." That hardly reflects the language of the articles of association and objects of a limited liability company formed to exploit a particular commodity or service in the commercial market.

Section 3 of the Act gave increase to the idea that there was no limitation upon the general duty. The Greater London Council is empowered to make grants to the London Transport Executive "for *any* purpose."

In the *exercise of* discerning the intention of Parliament by reference solely to the words used in the legislation, Lord Justice Oliver (whose judgments always command the highest respect from the legal profession) was overly-persuaded by the provisions of section 7.

That section provided that the Greater London Council was bound to have regard to a duty imposed on the London Transport Executive in regard to any deficit in the aggregate of its revenue account and general reserves. Parliament said that if there was a deficit at the end of one accounting period, the amount properly available to meet charges to revenue account for the next accounting period must at least exceed the amount of that deficit.

That, the Lord Justice said, indicated a commercial approach to the financing of London Transport Executive's services. And so it might.

But anybody familiar with the financing of urban transport systems knows that deficits are regularly made up out of grants or loans from government, both central and local. Why did the Court of Appeal not investigate the social policy that lay behind *the arid language of the parliamentary* draftsman?

Judges are not allowed to look at what a responsible Minister has said in Parliament *when explaining the object of* legislation that he is introducing, or indeed to the meaning of words as understood by him. (*After all the words used* by the draftsman are merely his translation of the instructions he will have received from the relevant government department.)

But Hansard is a closed book to the judiciary. Lord Denning is, however, a vocal proponent of the view that judges should be free to consult the parliamentary proceedings in a way that courts in other countries do.

He has not been slow to exhibit his maverick qualities in that respect. He was exultant *a few years ago in a* case where it was necessary to *decide* the *meaning* of the word "maladministration" to determine whether the local *ombudsman could investigate* certain complaints against a local authority. Parliament had not defined the word.

But Mr Richard Crossman, when Lord President of the Council, had made a speech in Parliament giving illustrations of what maladministration meant. His illustrations became the guidelines for the Parliamentary Commissioner for Administration (the Ombudsman for central government) and they were adopted by the Local Commissioners (the ombudsmen for local government).

Lord Denning gleefully pounced on the fact that the guidelines had found their way into the text books on administrative law. By good fortune textbook writers are citable to judges. Lord Denning exultantly said: "I hope, therefore, that our teachers will go on quoting Hansard so that a judge may in this way have the same help as others have *in interpreting a statute.*"

There was a notable absence in last week's decision of any desire on Lord Denning's part *to search for some way of over*coming the obstacle of not being able to look at Hansard in relation to the Transport (London) Act 1969.

While it is true that law is nowadays seen by the judges as a function of society and not as a mere abstract of legal rules, the courts still are less than wholly free to ascertain the reasons of social policy that lie behind the language of the statutes. They *decline* to be provided with material that would point them in the right direction, even though they are more *willing to approach statu*tory construction on the basis of the purpose of legislation.

In the U.S. it has become commonplace for 50 years now for counsel to introduce evidence from the social sciences to show the probable results of legislation under review for its constitutionality. The acceptance of what is called a Brandeis brief (named after a famous Supreme Court judge, Mr Justice Brandeis, who developed the technique when he was practising at the Bar) means that courts in America frequently consider the real social problems instead of confining the argument to abstract logic and traditional canons of statutory construction.

Such material would readily provide the answer to Lord Justice Watkins' query whether a transport system could ever be run at a profit.

Once it is accepted that a policy of fare-cutting both as a method of attracting more passengers and of improving the public transport system and as a means of reducing the volume and flow of private transport in densely populated areas is not eccentric, it is a short step to acknowledging that Parliament would wish to hand over the type of policies to be pursued to the transport authorities. And if policy over transport is for the politicians, it may even be legally permissible for the transport authorities to run a fare-free system.

It is not for the courts to import a notion of fiduciary duty to ratepayers to frustrate the method of financing a public service that must be dictated by social policies. Parliament did not declare how the Greater *London Council should finance* its transport services. It is the Court of Appeal that appears to be behaving in a legally eccentric way and is regarded by many as having gone off the rails.

ɔRLD CUP

MICHAEL COVENEY

With Georgia on their mind

YES will be on England mbley this week. Will r won't they? Ghosts of Hunter and Lato in edevil expectation, for have at last arrived at orld Cup Waterloo.

same could be said of elsh team under Mike d who travel this morn- a party of 120—players, supporters and Press warm Wednesday night ous with the Soviet n Tbilisi, Georgia.

ld Wales win, they will for the finals in Spain expense of Czechoslo- who seem incapable of ng their European onship form at World tel. I saw the Soviet team alm the Czechs in last month. The result 0, accomplished with y and a *minimum of* front of 80,000 almost onnoisseurs.

The atmosphere in the Lenin Stadium is quite unlike that inside a Western European stadium. There is no alcohol on sale, no chanting, no scarves and no rosettes. The national anthems are played over the loudspeaker system, the crowd perched attentively on wooden benches. As an attack begins to build, the arena is flooded with the eerie warmth of a steady, slow handclap.

Although the Soviet Union has already qualified for Spain, Wales will be lucky to come away with a draw—a result that could still be enough.

The Russians are strong, skilful and intelligent, the team being built around two outstanding club sides, Dynamo Tbilisi (current holders of the European Cup-Winners' Cup) and Dynamo Kiev (whose star player, *Blochin, is a recent* European Footballer of the Year).

The Soviet manager, Konstantin Bestov, has adopted the playing style of Dynamo Tbilisi, whose key players, Czivadze, Shengelya, Gutsayev and Kipiani, are among the most gifted in the world today.

The last two did not play against the Czechs: Gutsayev, a small and speedy striker with brilliant close control on the dribble, is temporarily out of favour with Bestov: while the balding, gazelle-like Kipiani, prominent in the destruction of West Ham in last season's Cup-Winners' Cup tie at Upton Park, has broken a leg.

Shengelya scored both goals against the Czechs. Like Jimmy Greaves, he is deadly in the six yard box though not all that impressive outside it. He has an insatiable thirst for goals, and a mesmeric turn of speed.

A *remarkable feature of* Soviet play, apart from patience, is the refusal to waste any pass. *The ball is bobbled along the* back four—a chilling sight, these efficient giants first snuffing out the opposition's attack before toying with ideas for their own—and then either fed to Blochin to begin one of his dazzling runs, or released to the irrepressible Shengelya.

The pleasing aesthetic impression is one of careful pattern work and purposeful experiment. The Welsh will see nothing frantic, hopeful or hysterical.

Wednesday's clash of Soviet intelligence and Welsh passion should be fascinating. The Russians are taking this World Cup very seriously indeed. They will want to maintain their momentum, and will be disappointed not to figure in the semi-finals in Spain. With Ladbrokes currently offering 25-1 against an *outright Soviet victory, they are* an attractive dark horse for the championship.

CRICKET

ƷY TREVOR BAILEY

Politics threaten future Tests

TAN ARE currently d in their first Test in lia and the world cham- the West Indies, are also out there. The England India and Sri Lanka has , while Sri Lanka have invited for a three-Test in the Caribbean early ear.

ything may appear ul on the international scene. But there are al and political prob- simmering below the which seriously threaten xistence of the game at evel.

West Indies Board of l lost more than 500,000 after England's ıst winter, so their cancel- of New Zealand's visit litical, not cricket, reasons also makes economic sense as it *would unquestionably have pro*duced another substantial loss.

The West Indies will receive some revenue from their Australian tour, but not as much as they need to balance their books and subsidise the game in the islands.

The plan to replace the New Zealand visit with one by Pakistan would have been especially popular in Guyana and Trinidad but it failed to materialise. The Pakistani players were unwilling to fit in another five Tests, in which they would have been ceaselessly bombarded by very fast bowling, between their tours to Australia and England.

The Indian *Government* almost called off England's visit, because Boycott and Cook had been to South Africa.

I always felt that the tour would take place. Quite apart from the disappointment and anger of certainly the largest number of cricket lovers in the world, who are also probably the keenest, it would have cost India and Indian cricket a great deal of foreign currency.

Some West Indian politicians are clearly more interested in achieving publicity in the world *Press than in the welfare of the* game. They have been trying to pressurise other countries in their understandable quest to bring South Africa to heel.

Gerry Gomez, the former West Indian Test player and administrator spelt out in a recent interview the danger of this policy when he said: "The threat to cricket is fairly serious. To the West Indies it is pregnant with disaster."

The truth is that, without those lucrative tours to England and Australia, cricket in the Caribbean could not continue in its present form as there is insufficient cash available.

To make things more difficult the inter-island rivalry and prejudice which stifled the political federation also exists in cricket, which in many respects provides the only real bond. *This weakens the strength of* the WIBC.

The England cricket authorities have made it plain that they will not accept interference in the composition of their chosen team. This could lead to an end of Test cricket between the West Indies and England, which would not only be sad for the game but also financial disaster for Caribbean cricket and cricketers.

U.S. $40,000,000

Banamex

Banco Nacional de México, S.A.

(A private banking institution incorporated in the United Mexican States with limited liability)

Floating Rate Capital Notes Due 1987

ɪn accordance with the provisions of the Notes, notice is ɦereby given that for the six month Interest Period from 6th November, 1981 to 17th May, 1982 the Notes will ɕarry an Interest Rate of 14¼% per annum and the Coupon ɑmount per U.S. $1,000 will be U.S. $72.67.

Credit Suisse First Boston Limited
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Ekbalco sounds warning

RACING

BY DOMINIC WIGAN

FIVE AND six-year-olds have had a thin time in the past three Cheltenham Champion Hurdles, but this year these is every chance that one of them is ready to overturn the older generation.

On Friday, Broadsword put up a predictably workmanlike *display in an 8 lengths Lans*down four-year-old hurdle victory over Another Generation. On Saturday, the year older *Ekbalco looked* even more impressive in disposing of the senior brigade in Newcastle's Fighting Fifth. One of *them will probably prove good* enough in March.

The odds must be firmly in favour of the northern hurdler rather than *his* Stow-on-the-Wold opponent. Not only did he achieve far more "on paper" than Broadsword in winning at *Gosforth Park*, but he again showed the instant and *devastating acceleration* lacking in Broadsword.

Ekbalco, whose handler, Roger Fisher, has found himself in front of the stewards on more than one occasion recently over the improved running shown by one or two of his horses from one race to the next, was offered at 5-1 by Ladbrokes, following Saturday's effort. However, the Tote were in a more generous mood, quoting him at 10-1 for the Champion Hurdle.

Ekbalco would appear to represent tremendous value at 10-1 and backers prepared to side with him each way at two or three points below those odds will probably have no cause to regret their decision.

This afternoon's sport has a particularly drab Monday look, but anyone in search of a bet will do well to consider the ex-Chilean gelding, Jugador, at Wolverhampton. His only rivals of any distinction are Spiders Web and New Lyric.

WOLVERHAMPTON
1.00—Jugador***
1.30—Tilthammer Mill**
2.00—Haybale*

TELEVISION

Chris Dunkley: Tonight's Choice

Apart from half an hour of World In Action which, after *a rather rocky patch is now more reliable,* ITV's Monday night schedule represents a desert for all but the most mindless viewers: a soap opera followed by a quiz followed by a soap opera followed by a pitiful sitcom, then World In Action and *from* 9.00 until *after midnight secondhand American junk* relieved only by News at 10.

Most of the evening's best bets are on BBC-2. Tales of 12 Cities features Newcastle upon Tyne and in particular a club singer named Val Lambert.

Horizon deals with a subject which seems to dominate the modern primary school curriculum: dinosaurs. The theory (which will be presented as God-given certainty if Horizon is running to form) is that extra-terrestrial phenomena can be blamed for the mass destruction of life on earth 65 million years ago. Newsnight is extended to include Mrs Thatcher's speech from tonight's Lord Mayor's Banquet.

BBC 1

9.08 am For Schools, Colleges. 10.00 You and Me. 10.15-12.07 pm For Schools, Colleges. 12.30 News After Noon. 12.57 Regional News for England (except London), London and SE only: Financial Report: News Headlines with subtitles. 1.00 Pebble Mill at One. 1.45 Chock-a-Block. 2.01 For Schools, Colleges. 3.00 See Hear! 3.25 Delia Smith's Cookery Course. 3.53 Regional News for England (except London). 3.55 Play School. 4.20 Undercover Elephant. 4.25 Jackanory. 4.40 Jigsaw. 5.05 John Craven's Newsround. 5.10 Blue Peter.

5.40 News.
6.00 Nationwide (London and South East only).
6.25 Nationwide.
6.55 Angels.
7.20 Blake's Seven.
8.10 Panorama examines the case for legal aid in Britain's tribunals, and some of the issues left *unanswered in the wake* of the Soviet submarine which ran aground inside Swedish waters.
9.00 News.
9.25 The Monday Film: "Willie Boy is Here," starring Robert Redford.
11.00 Film 81 with Barry Norman.
11.30 Speak for Yourself.
11.55-12.00 News Headlines.

BBC 2

10.10 am Supervisors.
10.35 Speak for Yourself.
11.00 Play School.
11.25 Write Away.
1.55 pm A Woman's Place?
2.20 Let's Go.
2.35 Inside Japan.
3.05 Whistle Blowers.
3.30 Teacher, Examine Thyself!
†3.55 Star Movie: "So Goes My Love" starring Myrna Loy and Don Ameche.
5.20 Christopher Hogwood plays Haydn.
5.25 Under Sail.
5.40 The Five Faces of Doctor Who.
6.05 The Adventure Game.
6.50 Cartoon Two.
6.55 Living in the Past.
7.25 *News Summary.*
7.30 Tales of Twelve Cities.
8.10 Des O'Connor Tonight.
9.00 Kelly Monteith.
9.30 Horizon.
10.15 Newsnight.
11.30 Heute Direkt.

LONDON

9.30 am Schools Programmes. 12.00 Cockleshell Bay. 12.10 pm Rainbow. 12.30 Doctor! 1.00 News plus FT Index. 1.20 Thames News with Robin Houston. 1.30 Farmhouse Kitchen. 2.00 Money-Go-Round: Joan Shenton and Tony Bastable investigate consumer problems and offer advice. 2.30 Monday Matinee: John Mills and Eric Portman in "The Colditz Story." 4.15 Tweety Pie. 4.20 The Sooty Show presented by Matthew Corbett. 4.45 Theatre Box: Gary Beadle in "Death Angel." 5.15 Diff'rent Strokes.

5.45 News.
6.00 Thames News with Andrew Gardner and Rita Carter.
6.25 Help!: The Seven Setbacks of the Setbacks—Episode 6, "A Setback for Barry."
6.35 Crossroads.
7.00 Bullseye.
7.30 Coronation Street.
8.00 Astronauts.
8.30 *World in Action.*
9.00 Quincy starring Jack Klugman.
10.00 News.
10.30 "The Dain Curse," starring James Coburn, Part 3.
12.20 am Close: "Sit Up and Listen" with Captain Brian Calvert.

† Indicates programme in black and white

All IBA Regions as London except at the following times:

ANGLIA

1.20 pm Anglia News. 2.30 "Doctor in Trouble," starring Leslie Phillips, Harry Secombe and James Robertson Justice. 5.15 University Challenge. 6.00 About Anglia. 6.30 Survival. 10.30 Anglia Reports 11.00 A New Kind of Family. 11.30 The Monte Carlo Show. 12.30 am Reflection.

ATV

1.20 pm News. 2.00 Rendezvous with Romance: "Paul and Michelle." 3.45 Money-Go-Round. 5.15 Joe 90. 6.00 ATV Today. 10.30 Left, Right and Centre. 11.10 ATV News. 11.15 The New Avengers.

BORDER

1.20 pm Border News. 2.00 Matinee: "When Eight Bells Toll." 3.45 Money-Go-Round. 5.15 Survival 6.00 Lookaround Monday. 6.15 Brain of the Border. 6.45 Travellers' Tales. 10.30 The Electric Theatre Show 11.00 Rugby League Action (Warrington v Hull). 11.45 Border News Summary.

CHANNEL

1.20 pm Channel Lunchtime News, What's On Where and Weather. 2.00 The Monday Matinee: "Mad Bull." 3.45 Money-Go-Round. 5.15 Here's Boomer. 6.00 Channel Report. 6.25 School Report. 6.35 Encore. 10.28 Channel Late News. 10.35 240 Robert. 11.30 That's Hollywood. 12.00 News and Weather in French.

GRAMPIAN

9.25 am First Thing. 1.20 pm North News. 2.30 Monday Matinee: "The Mudlark" 5.15 Mork and Mindy. 6.00 North Tonight. 6.30 Out of Town. 10.30 Cover to Cover. 11.00 The New *Avengers.* 12.00 *Going Out.* 12.30 am North Headlines.

GRANADA

1.20 pm Granada Reports 2.30 Monday Matinee: Vanessa Redgrave in "Morgan—A Suitable Case for Treatment." 5.15 The Flintstones. 6.00 Granada Reports. 10.30 Ladies' Man. 11.00 RL Action (Wigan v Wakefield Trinity). 11.45 Going Out.

HTV

1.20 pm HTV News. 2.30 "The *Admirable Crichton," starring Kenneth* More, Diane Cilento and Cecil Parker. 5.15 The Flintstones. 6.00 Report West. 10.28 HTV *News.* 10.30 "Pretty Maids All In A Row," starring Rock Hudson.

HTV Cymru/Wales—As HTV West except: 12.00-12.10 pm Ffalabalam. 4.45-5.15 Sêr. 6.00 Y Dydd. 6.25-7.00 Report *Wales.* 8.30-9.00 Yr Wythnos.

SCOTTISH

1.20 pm Scottish News Headlines and *Road Report.* 2.00 *Monday Matinee:* "Sapphire" 3.45 Money-Go-Round. 6.00 Scotland Today. 6.40 Crime Desk. 10.30 About Gaelic—Anne Lorne Gillies. 11.00 SNO with Lynn Harrell. 11.50 Past Masters. 12.20 am Late Call.

SOUTHERN

1.20 pm Southern News. 2.00 Houseparty. 2.25 "Return to Warbow" 3.45 Money-Go-Round. 5.15 Happy Days. 6.00 Day by Day. 6.30 Diff'rent Strokes. 10.35 Thriller: "Dial a Deadly Number." 12.00 Superstar Profile.

TYNE TEES

9.20 am The Good Word. 9.25 North East News. 1.20 pm North East News and Lookaround. †2.30 Monday Matinee: "The Farmer's Daughter," *starring Loretta Young and Joseph* Cotten. 5.15 Happy Days. 6.00 North East News. 6.02 Three Little Words. *6.30 Northern Life.* 10.30 North East News. 10.32 Briefing. 11.15 Lou Grant. 12.15 am Hello God.

ULSTER

1.20 pm Lunchtime. 2.30 Monday Matinee: "The Farmer's Daughter," starring Loretta Young and Joseph Cotten. 4.13 Ulster News. 5.15 Joe 90. 6.00 Good Evening Ulster. 10.29 Ulster Weather. 10.30 Ulster Landscapes. 11.00 Roots. 11.30 Bedtime.

WESTWARD

1.20 pm Westward News Headlines. 2.00 The Monday Matinee: "Mad Bull." 3.42 Gus Honeybun's Birthdays. 3.45 Money-Go-Round. 5.15 Here's Boomer. 10.32 Westward Late News 10.35 240 Robert. 11.30 That's Hollywood. 12.00 Faith For Life. 12.06 am West Country Weather, Shipping Forecast.

YORKSHIRE

1.20 pm Calendar News. 2.30 Monday Matinee: "The Neptune Factor," starring Ben Gazzara, Walter Pidgeon and Ernest Borgnine. 5.15 Survival. 6.00 Calendar (Emley Moor and Bel*mont editions). 6.35 It's a Vet's Life.* 10.30 Benson. 11.00 RL Action. 11.45 Run From the Morning.

RADIO

RADIO 1
(S) Stereophonic broadcast
‡ Medium wave

5.00 am As Radio 2. 7.00 Mike Read. 9.00 Simon Bates. 11.30 Dave Lee Travis. 2.00 pm Paul Burnett. 3.30 Steve Wright. 5.00 Peter Powell 7.00 Stayin' Alive. 8.00 David Jensen. 10.00-12.00 John Peel (S).

RADIO 2

5.00 am Ray Moore (S) 7.30 Terry Wogan (S). 10.00 Susannah Simons (S) 12.00 John Dunn (S). 2.00 pm Ed Stewart (S). 4.00 David Hamilton (S). 5.45 *News, Sport* 6.00 Much More Music (S) 8.00 Folk On 2 (S). 9.00 Humphrey Lyttelton with the Best of Jazz (S). 9.55 Sports Desk 10.00 The Law Game 10.30 Star Sound. 11.00 Brian Matthew with Round Midnight. 1.00 am Truckers' Hour (S). 2.00-5.00 You and the Night and the Music (S).

RADIO 3

6.55 am Weather. 7.00 News. 7.05 Morning Concert (S). 8.00 News. 8.05 Morning Concert (continued). 9.00 News 9.05 This Week's Composer: C. P. E. Bach (S). 9.50 Czech Piano Music (S). 10.35 Mozart (S). 11.20 Boyce's *Solomon* (S). 1.00 pm News. 1.05 BBC Lunchtime Concert (S) 2.00 Matinee Musicale (S) 3.00 New Records (S). 4.55 News. 5.00 Mainly For Pleasure (S). 7.00 Debussy (S). 7.15 Edwin Lutyens: Architect and Arch-tease. 8.00 Boston Symphony Orchestra concert; part 1: *Beethoven* (S). 8.45 Livings. 9.05 Boston Symphony Orchestra, part 2: Stravinsky (S). 9.50 Berkeley, Ireland and Raynor song recital (S). 10.30 Jazz in Britain (S). 11.00 News. 11.05-11.15 Daniel Barenboim (piano) plays Mozart.

RADIO 4

6.00 am News Briefing. 6.10 Farming Week. 6.25 Shipping Forecast. 6.30 Today. 8.35 The Week On 4. 8.45 Miles Kington with recordings from the BBC Sound Archives. 9.00 News. 9.05 Start the Week with Richard Baker. 10.00 News. 10.02 Money Box. 10.30 Daily Service. 10.45 Morning Story. 11.00 News. 11.05 Down Your Way. 11.50 Poetry Please! 12.00 News. 12.02 pm You and Yours. 12.27 What Ho! Jeeves. 12.55 Weather, programme news. 1.00 The World at One. 1.40 The Archers. 1.55 Shipping Forecast. 2.00 News. 2.02 Woman's Hour. 3.00 News. 3.02 Afternoon Theatre. 4.35 What a Job! 4.45 Story Time. 5.00 PM: News Magazine. 5.50 Shipping Forecast. 5.55 Weather; Programme News. 6.00 News, including Financial Report. 6.30 The News Quiz (S). 7.00 News. 7.05 The Archers. 7.20 Start the Week with Richard Baker. 8.00 The Monday Play (S). 9.15 The Lord Mayor's Banquet from the Guildhall. 9.59 Weather. 10.00 The World Tonight. 10.30 Science Now. 11.00 A Book at Bedtime. 11.15 The Financial World Tonight. 11.30 Today in Parliament. 12.00 News.

All of these Bonds having been sold, this announcement appears as a matter of record only.

New Issue

30th October, 1981

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THE MANAGEMENT PAGE

EDITED BY CHRISTOPHER LORENZ

To Dip. or not to Dip.—the director's dilemma

COMPANY DIRECTORS will soon be eligible for a few letters after their name. All they will have to do is attend an approved series of courses.

This will entitle them, from 1982, to a Diploma in Management Direction—courtesy of the Institute of Directors.

The IOD is introducing the "qualification" as part of what Walter Goldsmith, the IOD's director general, sees as his drive to "professionalise" the company director, who currently needs no academic standing to hold office.

To be eligible, a director has to have held office for at least a year and then become a member of the IOD (cost £55 a year) within 12 months of completing the diploma programme.

BY ARNOLD KRANSDORFF

In promoting his scheme Goldsmith is taking a calculated risk that company directors will either admit that they still have something to learn or feel that the diploma will give them extra cachet among their peers. For this to happen, much will depend on how many directors of sufficient standing will be prepared to give up their valuable time to help him set the trend.

The IOD's education committee has yet to decide how, if at all, the diploma is to be signified but two possibilities are *M. Inst. D (Dip)* or F. Inst D. (Dip), reflecting "Member" or "Fellow" status of the candidate within the institute.

The Diploma candidate will have to attend seven mandatory courses and four optional courses, each costing between about £160 and £400 for sessions lasting between one and three days.

The mandatory courses include lectures on the role of the executive director, strategy formulation, organisation, employee relations, product/marketing strategy, understanding company accounts and finance for non-financial directors. Among the optional courses are: the role of company chairmen and the non-executive director, *quality control, current cost* accounting, budgeting and profit planning and bids and mergers.

A spokesman for the IoD said that it is conceivable that in the long term the institute will make "fellowship" status dependent on the achievement of the diploma. At present the basic requirements for fellowship is 10 years in business of which five years has to have been spent as a director.

It was also possible that candidates would, in the long term, have to take an exam for the diploma, the spokesman said. The institute feels that an examination would put many directors off attending courses and it wants to attract as many as posible at the outset.

"Obviously it is a long campaign that we have embarked *on but we feel we have made* considerable progress especially over the last year in our *attempts to provide training* for directors."

Not wanting to lead or be led

TOP EXECUTIVES at American Telephone and Telegraph Co. could be forgiven for worrying about the company's future after seeing the company's latest attitude survey of managerial recruits.

The new blood, it appears, is not particularly interested in aspiring to higher levels of management.

A company survey found that 204 college graduates hired into first level management between 1977 and 1979 are less keen than were their counterparts in the 1950s to be leaders. Paradoxically, the same individuals also have no wish to be led.

The researchers found that compared with the attitudes of 274 white male college recruits made between 1956 and 1960, the new intake are less optimistic and feel that the future has less to offer.

They are less motivated than were their predecessors towards "powerful, high status and well-paying positions" and "just aren't interested in advancing up the corporate ladder," say the researchers.

The company notes that the two samples differed in that half of those in the more recent study were women and one-third were members of racial minority groups.

This change in emphasis is a reflection of the success of various lobby groups in forcing AT and T, among others, to employ more women, negroes, and Hispanics over the past decade.

However, the inclusion of more members of minority groups does not explain the changing attitudes.

The researchers found that the women "showed they have the ability for higher management jobs, but their aspirational levels were geared more to those of their (present) mal[e] peers than to those of their ma[le] peers of the past."

The minority groups wer[e] found to have higher aspir[a]tions and higher levels o[f] optimism than the rest of th[e] sample, but these were "geare[d] more to financial rewards tha[n] a philosophy of working har[d] to achieve present and futur[e] goals."

In perhaps the most contr[o]versial part of the study, th[e] researchers say that the abilitie[s] of members of the minorit[y] groups "were not up to thos[e] of the white sample."

Another characteristic of th[e] members of the group more r[e]cently studied was a great[er] wish to help others.

"The new managers appa[r]ently want to receive as well [as] give emotional support," sa[ys] the study.

Arnold Kransdor[ff]

Why dicey definitions are so dangerous

Continuing our series on the relevance of Boston Consulting Group theory in the 1980s, MICHAEL GOOLD explains how to ensure that portfolios are constructed correctly.

LOOK AT the diagram. The two portfolios present starkly contrasting pictures of corporate diversity, competitive position and growth prospects.

Company A is in comparatively few businesses, and has generally weak competitive positions in slow growth markets. Company B is much more diverse, and has a stronger and more rapidly growing portfolio.

For company A, key issues must include diversification into new faster growth businesses, and the careful management of the existing businesses, to generate adequate cash flow from basically weak positions.

For company B the major corporate portfolio decisions appear to concern priorities: which of the various businesses with opportunities to grow should be funded and which should be given low priority? Even at a superficial and broad-brush level, these portfolios therefore seem to indicate radically different strategic directions.

A and B are actually two different representations of the same company. The difference lies in the definitions of the businesses, and the related assessment of their strategic positions. "Company A" is based on rather aggregated business definitions, while "Company B" identifies many more separate segments. Strategic choices for this company cannot be made without prior agreement on which is the more valid representation of the realities of competition in these business areas.

The portfolio concept is essentially simple, and much of its power derives from its simplicity. Its application in practice, however, is much less straightforward. Correct business definition and analysis is a pre-condition for the successful use of the portfolio concept, and the taking of important corporate decisions will not be assisted by reference to a portfolio display that is based on roughcut or erroneous business definitions.

A business segment is correctly defined as separate for purposes of strategy if it is possible to establish and defend a competitive advantage in the segment alone, without needing to participate in other related segments.

This criterion is in principle precise and can be applied with objective rigour.

There is no one segmentation scheme that can be applied to all business areas and the right segmentation will only emerge from a detailed understanding of the most important competitive factors in each area. It is, however, clear that traditional product-market segments are frequently not the right basis for strategic business definition and should only be used where they can be justified in the light of the economics of competition in the business.

Considerable analysis is necessary to determine the means by which a company can achieve the lowest costs and the highest prices in a given business area. This may demonstrate, for example, that in a commodity business the key to profitability lies in achieving high volume throughput in a certain manufacturing process. This would suggest a strategic segmentation based upon grouping together all products that move through the process in question.

Alternatively, in a business with a higher marketing content, the vital distinction may be between intensive users of a product, who require high levels of service support and product quality, and more occasional users, for whom price may be the vital factor.

In a light engineering business, for example, a number of products were sold to a variety of customer groups. Management information was collected around segments defined in terms of end-user industry sectors. Profitability varied considerably between sectors, but showed no systematic patterns.

Analysis of cost and price effects, however, showed that the sequence of manufacturing processes used was a far more important influence on product costs than the industrial sector into which the product was sold. By re-grouping products according to manufacturing process, and analysing the effects of experience and scale within each process, it became clear that high profitability correlated with high process volume, which in turn led to low process costs. Since processes were essentially independent of each other, the correct segmentation was around individual processes.

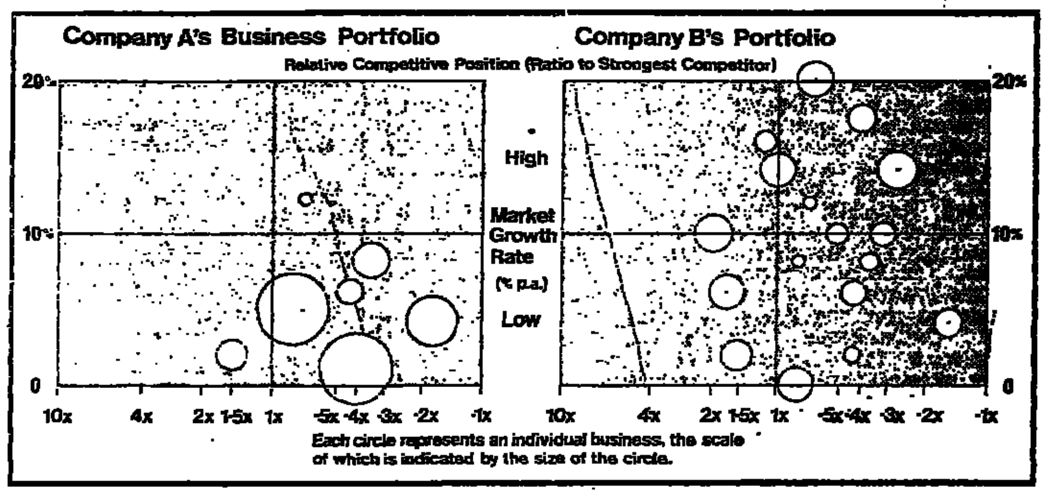
Such a segmentation, of course, gave a fundamentally different impression of segment sizes and growth rates, and of the company's competitive position, than did the industry sector based segmentation. A portfolio plotted on the basis of industry sectors would have provided misleading results, and needed to be replaced by one using the correct segmentation.

Business definition must therefore be based on thorough going analysis of the implications of different sorts of business focus for costs, prices and profitability. Such definitions must be continuously reviewed and updated, due to changes in technology, the market place and competition.

There are, of course, cases where the advantages for a producer active in a wide range of segments are closely balanced with those available to the producer who focuses on a narrower selection of segments. In these cases different competitors may validly seek competitive advantage through different approaches to the market, and a definitive segmentation is not possible. Here, the right segmentation for a company will depend to an unusual degree upon its assessment of the likely behaviour of its competitors.

All too frequently, however, a new portfolio positioning, and the plans for turning a business around are allowed to rely upon a new segmentation or repositioning of the business that is merely cosmetic. Unless it can be demonstrated that the new segmentation makes economic sense and genuinely permits the business to alter its competitive position, it should be rejected. Judgment concerning the way that different competitors will choose to play the game needs to be blended with a basic analysis of the economics of the business area.

Michael Goold is vice-president of BCG in London. Earlier articles in the series were published on November 11 and 13. The next will appear on Friday.



Each circle represents an individual business, the scale of which is indicated by the size of the circle.

Management abstracts

These abstracts are condensed from the abstracting journals published by Anbar Management Publications. Licensed copies of the original articles may be obtained at £2.50 each (including VAT and p & p; cash with order) from Anbar, P.O. Box 23, Wembley HA9 8DJ.

Benefits and management of stress. M. McGill in Training Research Bulletin (UK), Spring 81: p. 24 (3½ pages, charts)

Argues that stress is an essential and "healthy" component of personal and organisational life; outlines its nature, sources and effects, discusses ways individuals can learn to cope with it, and suggests how it can be managed, either organisationally or personally.

Auditing: accountancy's golden goose. J. Davison in Management Today (UK), May 81: p. 60 (6 pages)

Describes the range of services offered by the accounting profession, and notes that auditing accounts for a large proportion of fees. Criticises the conduct of external audits, and questions whether there is a need for statutory audit; encourages managers to loo[k] closely at what they are gettin[g] for their money, e.g. are com[]panies being used as a trai[n]ing ground for audit staff?

Bringing zero-base budgetin[g] into focus. B. N. Schwartz [in] Managerial Planning (U.S.), Mar/Apr 81: p. 24 (4½ page[s], tables)

Describes a zero-base budgeting implementation pr[o]gramme that recognis[es] the organisation's particul[ar] requirements and takes in[to] account the need to adapt to [a] different way of budget thin[k]ing. Gives an example to sho[w] how implementation can [go] wrong.

Tracking competitors. T. Park[] in Sales and Marketin[g] Management (U.S.), Mar [] 81: p. 90 (2 pages)

Describes how Signo[de] (makers of strap devices to pr[o]tect transported goods) ke[eps] abreast of competitors' activiti[es] by training salesmen to ke[ep] their ears to the ground, a[nd] by compiling market profiles [of] rivals from field reports, servi[ce] engineers' visits, and meetin[gs] with customers; presents t[he] firm's "five commandment[s]" for keeping tabs on t[he] opposition.

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A.B.N. Bank	15 %	Grindlays Bank	‡15 %
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American Express Bk.	15 %	■ Hambros Bank	15 %
Amro Bank	15 %	Heritable & Gen. Trust	15 %
Henry Ansbacher	15 %	■ Hill Samuel	§15 %
■ Arbuthnot Latham	15 %	C. Hoare & Co.	†15 %
Associates Cap. Corp.	15 %	Hongkong & Shanghai	15 %
Banco de Bilbao	15 %	Knowsley & Co. Ltd.	15½%
BCCI	15 %	Lloyds Bank	15 %
Bank of Cyprus	15 %	Mallinhall Limited	15 %
Bank of N.S.W.	15 %	Edward Manson & Co.	16 %
Banque Belge Ltd.	15½%	Midland Bank	15 %
Banque du Rhone et de la Tamise S.A.	15½%	■ Samuel Montagu	15 %
Barclays Bank	15 %	■ Morgan Grenfell	15 %
Beneficial Trust Ltd.	16 %	National Westminster	15 %
Bremar Holdings Ltd.	16 %	Norwich General Trust	15 %
Bristol & West Invest.	17 %	P. S. Refson & Co.	15 %
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Canada Perm't Trust	15½%	Slavenburg's Bank	15 %
Cavendish G'ty T'st Ltd	16 %	Standard Chartered	‖15 %
Cayzer Ltd.	15 %	Trade Dev. Bank	15 %
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§ Demand deposits 13%.
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3,936	Airsprung	68	+1	4.7	6.9	10.8	14.9
1,100	Armitage and Rhodes	44	+1	4.3	9.8	3.7	8.3
11,792	Bardon Hill	193	—	9.7	5.0	9.4	11.4
7,506	Deborah Services	97	−1	5.5	5.7	4.8	9.1
4,537	Frank Horsell	121	+1	6.4	5.3	10.9	26.3
8,668	Frederick Parker	60	—	1.7	2.8	26.1	—
867	George Blair	47	−2	—	—	—	—
4,021	IPC	99	−1	7.3	7.4	7.1	10.8
2,479	Jackson Group	98	—	7.0	7.1	3.1	7.0
15,182	James Burrough	110	—	8.7	7.9	8.0	10.1
2,978	Robert Jenkins	282	+4	31.3	10.7	4.1	10.3
2,730	Scruttons "A"	56	+2	5.3	9.5	8.6	8.0
2,785	Torday	181	—	15.1	8.3	7.0	12.0
3,098	Twinlock Ord.	14½	—	—	—	—	—
1,938	Twinlock 15pc ULS	71xl	—	15.0	21.1	—	—
5,188	Unilock Holdings	34	—	3.0	8.8	6.1	10.3
10,647	Walter Alexander	84	—	6.4	7.6	5.5	9.8
5,098	W. S. Yeates	218	−1	13.1	6.0	4.1	8.4

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October 1981

THE ARTS

hitecture

Drawing conclusions by COLIN AMERY

hitectural drawings have s been collected by those enjoy both the aesthetic ire of looking at a fine ng and the realisation a drawing is about some- that actually works. g this century scholars collectors have been less n about the place of the ng in the development of mporary architecture. important is the first l stroke on the back of an ope? How far do drawings ss the intentions behind ings?

new organisation has tly been established in on to exhibit and sell the ings of architects who are ntly in practice. Cynics be forgiven for thinking the architect's enthusiasm elling drawings is not un- ected with the shortage of ing work. Recession not- tanding the appearance of pace Gallery is to be wel- d. The gallery is the child of a few architects is run by Mary Hawkes 64 Clifton Hill, London

display of some of the ry's large stock can be seen November 20 at the Build- Centre, 26 Store Street, on WC1 or by appointment that date (01-624 4110). At the Building Centre nearly 60 architects are showing their work—a fascinating glimpse of the state of the art of drawing and architecture.

The drawing illustrating this article by Edward Cullinan Architects is a good example of the sectional perspective that this practice uses to give an instant idea of the structure and interior of their buildings. It is apparent from it that there is an element of simple craft architecture remaining in their work, the scale is related to the users and there is no hint of the overbearing efficiency of high technology.

I liked the calm elegance of the drawings from Ahrends, Burton and Koralek of the house in the old city of Jerusalem—in this case you would have to buy both drawings (which would set you back £600) as the conceptual sketches relate to the final elevational drawing.

The distinguished engineer Sir Ove Arup is selling his "meeting notes" as well as his designs for a chess set. In his case his engineering drawings would be more interesting. Gordon Cullen remains one of our better townscape artists and his work is long overdue for proper reassessment. His view of downtown New York does catch that essence of place that townscape was originally all about.

Drawings by Peter Cook and the sketches of the Gyrotron from the Canadian Expo '77 by George Djurkovic, the partner of the late Sean Kelly, will both make magnificent period pieces in another ten years. Sir Geoffrey Jellicoe's landscape concept for the city of Modena is a particularly interesting drawing. If I was asked to give a sound tip to collectors I would recommend searching out the landscape architects of this *period, say from 1950 to the* present, who are producing excellent work in the English tradition that leaves some of their architectural colleagues standing.

Some of the late modern work that seldom gets beyond the drawing stage falls between everything: is it just amusing graphics like many of the New York architects or is more serious stuff like the set of "Oneiro—critical studies" by John Outram? I hope Manspace will soon organise a show of American architectural drawings where I do feel the standard of presentation and draughtsmanship is much higher.

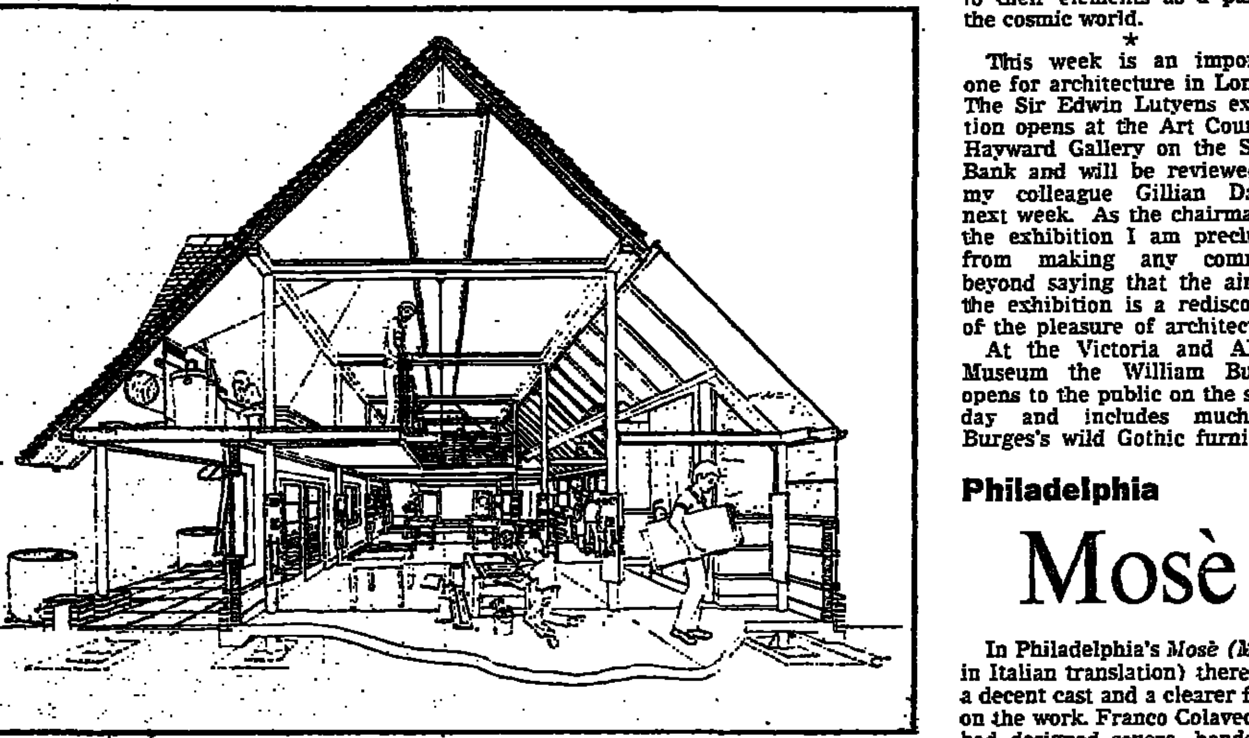
One of America's finest draughtsmen is the architect Michael Graves. In fact he would probably be insulted to be called a draughtsman—he is an artist. His pastel-shaded pencil drawings suggest a new kind of subtle architecture that takes notice of colour and geometric decoration. His name is brought to mind as he has just written an introduction to the new English language edition of *Le Corbusier Selected Drawings* published by Academy Editions of London at £9.95. There are 20 of Le Corbusier's buildings shown through his drawings *from the small private houses* of the 1920's to the more monumental schemes like the great Indian city of Chandigarh.

Writing in *L'Esprit Nouveau* Le Corbusier said that architecture had nothing to do with styles. It is simpler to define it in terms of volume, surface and plan. Corbusier was able to see the monuments of the Ancient *world in terms of* their pure geometry. Michael Graves points out how the quick sketch of the pyramid and the cylinder made on his travels reappear as the primary and symbolic elements on the roof of the Assembly at Chandigarh. Corbusier wanted to see the natural landscape as symbolic and buildings refined to their elements as a part of the cosmic world.

★

This week is an important one for architecture in London. The Sir Edwin Lutyens exhibition opens at the Art Council's Hayward Gallery on the South Bank and will be reviewed by my colleague Gillian Darley next week. As the chairman of the exhibition I am precluded from making any comment beyond saying that the aim of the exhibition is a rediscovery of the pleasure of architecture.

At the Victoria and Albert Museum the William Burges opens to the public on the same day and includes much of Burges's wild Gothic furniture.



A relaxed drawing of new workshops for the McIntyre Schools by Edward Cullinan.

Orange Tree, Richmond

Fall

by ROSALIND CARNE

Three sisters and their mother await the father's death. Their talk around a garden table on a hot summer afternoon is punctuated by male commentary from Fox (Richard Kay). He is unseen by them, assured and emotionally-distanced, and his meditations are strangely akin to the obstrusive, authorial voice of John Fowles. As in Fowles, the effect is both engrossing and maddening. As a two-tier theatrical convention, it is not unsuccessful, though it certainly accentuates the dismal feelings evoked by James Saunders's new play.

The title refers to death, sex, the coming season, and, of course, the most famous fall of all. Yet I would stretch its connotations a little towards musical cadence. For the scenario moves in waves of idea and emotion, with three distinct crescendos as each daughter explodes in her tears and need. It would make ideal radio drama.

First to break is 18-year-old Ann. To begin with she asserts her self-sufficiency, despite her pregnancy, and her boyfriend's desertion. Confessedly in love with life, she dismisses the systems of thought which have trapped and disappointed her elder sisters. This is the best written part and Madeleine Church is startlingly good.

Helen (Caroline John) aged 30, is marginally less successful. Typical of her generation, her philosophical journey — Marx, Freud, despair—has been well-aired elsewhere. (As an exact contemporary I should declare an interest here.) Middle sister Kate (Jean Perkins), aged 26, is troubled by a loss of direction after a surfeit of zen and yoga.

The interrelations and clashes are imaginatively and convincingly drawn. Each decides to return to Mother (Barbara Atkinson). She is appealing in her own right, tight-lipped and warm-hearted. But the sudden revelations about her love life to Kate and Helen seem anomolous. The presence of death may awaken deep feelings; nevertheless, the extent of these admissions sound forced.

It is rare to see four modern women discussing weighty topics on stage for two hours, with only a brief hint about feminism. It crops us as one of Helen's failed ideologies, target of young Ann's scorn. Yet each character has suffered or is suffering because of a man; each suffers or has suffered over childbirth, whether through experiencing it (Ann and Mother) or lacking the experience (Helen and Kate). The reasons are not explored. When Helen remarks that men work while women weep, she is commenting on the mood of the entire play. The unlikable Fox only confirms this. Hence my deflated female spirits.

Michael Feast and Jennifer Hilary — Leonard Burt

Philadelphia

Mosè

In Philadelphia's *Mosè (Moise* in Italian translation) there was a decent cast and a clearer focus on the work. Franco Colavecchia had designed severe, handsome sets. Lella Cuberli (the Ellen of Pesaro's *Donna del lago)* was a delightful heroine. Julia Hamari was an accomplished mezzo. The tenors, Antonio Savastano and Krunoslav Cigoj, were passable. Jerome Hines in the title role had dignity and presence, but his voice is not what it was. Alessandro Siciliani, the conductor, is a Rossinian with a fine command of phrase and pace.

After a long period in the dumps, the Philadelphia Opera has been taken over by a young woman, Margaret Anne Everitt, of vision and enterprise. Both Houston and Philadelphia play in 3,000-seaters. Houston's Jones Hall has good acoustics but feels its size, and David Gockley—who also has vision and enterprise—has plans to build a new opera house for his company. In Philadelphia, Muti—astoundingly—has plans to take his orchestra out of the famous Academy of Music into a modern concert hall, which would leave that marvellous building more often accessible to the opera company. It seats its huge audience so cunningly and intimately that it feels—and possibly is—a shade smaller than Covent Garden.

ANDREW PORTER

Wigmore Hall

Franz Schubert Quartet

by ANDREW CLEMENTS

Saturday night's concert brought to an end a series of three the Franz Schubert Quartet has given in the Wigmore Hall over the last two weeks. It has formed part of the hall's "Russian Series"; each of the programmes has included one of Chaikovsky's quartets.

Previous London appearances have created a considerable reputation for the group. I *wrote about them on this page* in the summer of 1980, when despite all the problems of string playing on a hot, sticky evening there was a strength of purpose to their performances that told of sterling quality. Saturday's impression could not have been more different. Chaikovsky's third quartet, the E flat minor op. 30, was handled so roughly, so unsympathetically, that it was hard to believe that the Quartet should have agreed to play Chaikovsky's at all.

The E flat minor quartet may not be the most perfectly shaped of works. It sprawls; its elegiac mood is sometimes self-consciously invoked. Carefully tended, however, the *longueuers* can be disguised. What does the greatest disservice is the kind of treatment meted out on Saturday: "significant" moments underlined with grotesque rallentandos, sequential passages rendered without the slightest attempt to give them point or purpose, accents marked in the score ignored, carefully constructed climaxes destroyed by wilful tempi. A performance so totally lacking in comprehension was scarcely credible from a group whose approach to earlier music is generally intelligent.

Such a travesty necessarily soured any favourable memories of the rest of the programme. But the first half had already suggested weariness, blunted reactions. Mozart's D major quartet K.499 was austere, deliberately lean, with charm repeatedly refused; Schubert's C minor *Quartettsatz* began *quite marvellously, with a* superb irrational fury to its exposition, but the repeat (one of the few the group troubled to observe) could not sustain the pace, and the remainder of the movement tailed off into ordinary merely lifesize playing.

Riverside saved

Riverside Studios, in Hammersmith, now looks to have a secure future. In the New Year plans for its redevelopment are expected to be approved which would guarantee its finances and the short-term immediate crisis has been eliminated by the advance of £50,000 from the GLC—its two years grant arriving in one needed hand out—and by £40,000 from an individual well-wisher, half in the form of a direct donation and half in the form of an interest-free loan. As a result the redundancy notices for 30 employees and the suspension of artistic plans have been withdrawn.

Bush

The Last Elephant

by MICHAEL COVENEY

This extremely bright little comedy marks the theatre début of Stephen Davis, an experienced writer for television (his output includes a BBC Play of the Week and the 60th birthday tribute to Andrei Sakharov). Set in the Brighton home of a lugubrious, unpublished anthropologist, the idea is to set up a comic contrast between liberated urban lifestyle and the annotated ideal of a city state community of North American Indians.

A loin-clothed Zuni lies wrapped in a blanket on the Rumseys' sitting room floor. Edward has discovered him collecting pebbles on the beach. Immersed in his research, Edward has learned to live with Victoria's endless stream of partners, all of whom are dubbed "Albert". One of these (Richard Hampton) turns up in a rainstorm — unwittingly triggered by the Zuni messing around with one of Edward's wall relics — in oilskins and binoculars rabbiting on about the apocalypse and an invasion of UFOs.

The dramatic tension, very well controlled, is delicately poised. On one level, the tone is of a conventional boulevard comedy. On another, the cultural discussion of family values and sexual mores is gracefully managed. The Indian thaws not in response to Edward's earnest supplications, but when surprised by Victoria sticking her tongue in his ear.

Michael Feast's glacial but slightly, amusingly out of kilter aboriginal specimen breaks into a huge grin. He returns the intimacy only as a means of reaching the whisky bottle on the cabinet. The evening is full of such deft touches, although the elliptical final scene, in which Edward's career failure is underpinned with a flash-back to his field work, does not really come off.

The play is beautifully directed by Claude Whatham and ingeniously designed by Robin Don — the room is cluttered with totems of both cultures and the rain is as realistically conjured as you could wish. Alan Rickman and Jennifer Hilary are perfectly cast as the Rumseys: the former stylishly ruffled and scoring regular laughs through phrasing and an undercutting delivery; the latter brusque, untrammelled and of a convincingly generous sexual disposition.

Amoco brings WNO back to London

In 1982 Welsh National Opera will be appearing at the Dominion Theatre, Tottenham Court Road in London for the third consecutive year. The season, again made possible by Amoco (UK) will take place from April 5 to 10, and will consist of five performances, including four of WNO's most recent new productions.

The season opens and closes with Verdi's *La Forza del Destino* in a new production sponsored by Amoco. Smetana's *The Bartered Bride* will be performed on April 6, and Bellini's *I Puritani* on April 7, the first staging in London since the Covent Garden production in 1964.

The fourth opera of the season, on April 8, is Beethoven's *Fidelio* in Harry Kupfer's production which opened in September and was shown recently on BBC 2.

John's, Smith Square

New London Chamber Choir

by MAX LOPPERT

a three-instalment series tled "Renaissance and the Century Choral Music" initiated last Friday, a new very pleasing chamber r is introduced to the scene. first programme consisted Josquin (*Missa pange ua*) and Messiaen (*Trois es Liturgies de la ence Divine*); in it, the con- or James Wood showed he has picked and moulded hoice group of youthful eur voices—well-blended, highly musical. In full the ensemble could not er either the brilliance or weight of tone of the most d professional chamber s; at St John's, in this c, the style proved its own advocate.

e great Josquin Mass— nation, testament, and y in one master-work—was simply and unpresumingly delivered. There was no sense of extraneously planned "interpretation"; no artfully contoured contrasts of dynamics, no calculated drama in the building of the movements towards the final "Agnus dei" (such methods of "helping" the music were still in chamber-choir fashion not so long ago). Instead, Mr Wood and his singers relied on limpidly sustained clarity of line and on notably true intonation, secure even in the long two-part sections, to find the natural unfolding of each component part. In a truthful performance such as this, the "new style" of the early Renaissance is made new once again.

After such a first part, there had to be a complete change of scene; and certainly, Messiaen's full-throated, multi-hued religious ecstasy was there to supply it. The Koenig Ensemble provided the instruments; the group of concertante soloists was led by Jeanne Loriod (ondes) and Jan Latham-Koenig (piano); 18 choral sopranos stayed radiant and pure of tone except in the longest-held high notes of the "Psalmodie." A second time one noted and admired the unassuming rightness with which Mr Wood established the particular and distinctly characterised mode of each prayer; the glitter of celebration and the unabashed voluptuousness of Messiaen's slow lyrical fervour were most beautifully contrasted, balanced as it were on the edge of an abyss of vulgarity without ever toppling into it. The second concert of the series (December 10) matches Gesualdo and Dallapiccola, the third (January 26) Taverner, Britten, Saxton and Lutyens.

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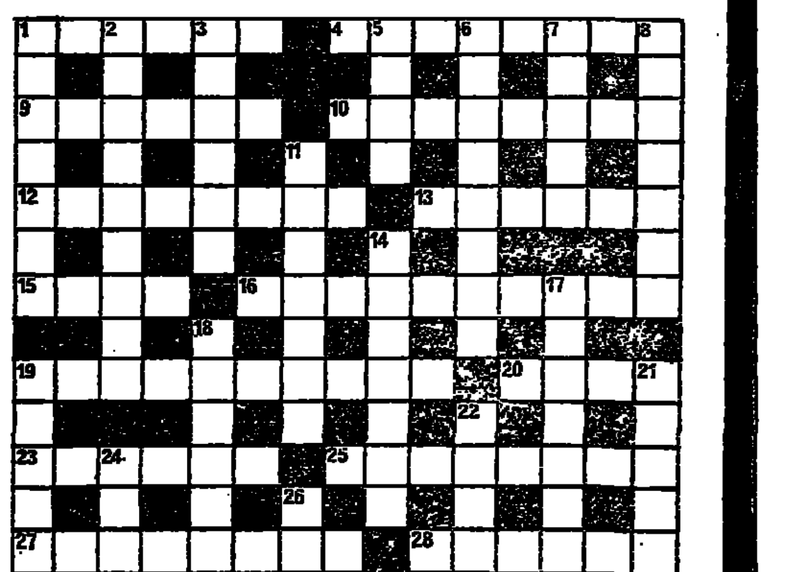

ACROSS

1 Load the price (6)
4 To play noisily following banner is outrageous (8)
9 Regretfully admitting a force to attack (6)
10 Ten asses for one old penny (8)
12 Sheriff's officer giving a wrinkle to employees (8)
13 Soft bait (6)
15 Spin a record (4)
16 Release from punishment, sailor with the answer . . . (10)
19 . . . accountable for solution to another sailor joining the French (10)
20 Letter resembling a house in Lambeth (4)
23 Join famous leader with a gun (6)
25 Besmear artist's second additional piece of canvas (8)
27 Turn into stone outside, but it's not compulsory (8)
28 Paul's follower always in the engineers (6)
29 It's symbolised if I typed incorrectly (8)
30 I sat back in ship, creating a stoppage (6)

DOWN

1 Hire a cartographer (7)
2 Citadel producing a harvest on mixed soil (9)
3 Theatre of mirth (6)
5 Change life willingly (4)
6 Pleased with fireplace three-quarters full (8)
7 A soldier on the way to charge with a public burden (5)
8 Old sixpence for canopy on pole (7)
11 The way a bad musician plays could be eccentric (7)
14 Short post aboard or two learners in board (7)
17 I trade decreasingly, being without standards of perfection (9)
18 Lycanthrope we are shortly to devour ravenously (8)
19 A loud van could be an outrage (7)
21 Tackle for unusual shares around the north (7)
22 Be opposed to an oddity (6)
24 A structure to erect (3-2)
26 This'll kill a cat according to Ben Jonson (4)

The solution to last Saturday's prize puzzle will be published with names of winners next Saturday.

FINANCIAL TIMES

PUBLISHED IN LONDON & FRANKFURT

For Share Index and Business News Summary, Telephone 246 8026 (number, preceded by the appropriate area code valid for London, Birmingham, Liverpool and Manchester)

Head Office: The Financial Times Limited, Bracken House, 10 Cannon Street, London EC4P 4BY. Telex: 8954871. Telegrams: Finantimo, London. Telephone: 01-248 8000. Frankfurt Office: The Financial Times (Europe) Ltd.

INTERNATIONAL & BRITISH EDITORIAL & ADVERTISEMENT OFFICES

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FINANCIAL TIMES
BRACKEN HOUSE, CANNON STREET, LONDON EC4P 4BY
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Monday November 16 1981

An insurance community

WHEN THE European Community was formed its main objective was to remove barriers, particularly the economic and commercial barriers, among its member states which would allow the free movement from one country to another of people, services, goods and capital. More than two decades later, while much has been achieved, the creation of a common market in insurance, one of the community's most important commercial activities, is still a long way off.

This week the Community will be studying a six-year-old draft directive which, if eventually adopted, could remove the existing national barriers for the provision of non-life insurance services among the member states. Those seeking freedom of services want a truly liberalised European insurance market where insurance companies based in one country may compete for business risks in other European countries. European industry, as a buyer of insurance, would be able to cover its risks with those insurance companies which offer the cover it requires on the most favourable and competitive terms.

Application

Unfortunately, little significant progress has been made in the negotiations on the directive, due to a variety of procedural, bureaucratic, technical and national considerations. Although the European council adopted a general programme for the abolition of restrictions on freedom of establishment and freedom to provide services in 1961, the application of that programme has depended upon the desires of ministers of the member states to promote the issue.

Insurance wins few votes in domestic constituencies.

Britain, with its Government heavily lobbied by the UK insurance industry, has been attempting to force the pace in the discussions during its period of office this year as holder of the Presidency of the Council of Ministers, but with little significant success. There are innumerable technical problems to overcome.

Questions relating to the extent that national supervision should apply to a liberalised insurance market are unresolved. Likewise, the issue of taxation and the problems of reconciling the aspirations of individual member states to the future taxation of insurance premiums have yet to be determined. The treatment of insurance branches and agencies, and whether they should be able to compete across frontiers on the same basis as their head offices in a newly liberalised market has still to be agreed.

For the UK insurance market, implementation of laws granting full freedom of services for non-life insurance business, unfettered by onerous restrictions, offers obvious advantages. UK insurers would be allowed to compete freely and directly for major business risks in markets which have been heavily supervised, such as France and Germany.

France and Germany have taken careful steps over the years to maintain a high degree of protection for the consumer of insurance. Special bodies have been created, with specific legally imposed duties, to supervise the operations of insurers under the law. By comparison, the British market operates a relatively relaxed system of regulation.

Those countries with tight regulatory systems are determined that the system of legislative protection built up over the years should not be weakened by initiatives of the European Community.

More recently, it has seemed in some quarters that the concerns for consumer protection and argument over details by member states are being used to delay the implementation of the non-life freedom of services directive by those that fear the commercial consequences in their local markets. World insurance markets are suffering from over capacity with too many insurers chasing business which has not grown at the same rate as the available market. Premium rates are under pressure and there is intense competition in most countries. In a liberalised European insurance market, important domestic revenues from insurance earnings might be lost by local companies.

Momentum

The progress of the negotiations for the adoption of the directive has moved at an agonisingly slow pace. Although there has been fresh momentum in the discussions this year, due largely to the intervention of the British, it is unlikely that anything of real significance will be achieved for some time to come.

Arrangements will have to be made in Europe which allow different systems of regulation to coexist while having basic common principles of supervision to support the underlying security of the insurance markets. A consensus view between all member states will have to be agreed. To do that the negotiators must seek to maintain whatever momentum has been achieved in the discussions in the last year.

The choice for Denmark

THE FALL of the socialist Danish Government has focussed attention on the difficulties of yet another of Scandinavia's formerly model societies.

Mr Anker Joergensen, the Social Democratic head of a minority left wing government, was voted out on a proposal for channelling more investment into the languishing private sector. But the roots of the problem lie deeper. The entire balance of the economy is distorted by an overblown public sector; the budget and external current account are in deep deficit; economic expectations have been raised to levels which cannot be satisfied in the present-day world.

One third of the workforce is employed by the public authorities as civil servants, teachers, postmen and the like. Add in old age pensioners, the unemployed and others dependent upon transfer payments, and you find that more than half the adult population is kept in one way or another by the state.

Damage

High interest rates have severely hurt manufacturing industry and all but crippled construction. It was this damage that Mr Joergensen tried to remedy when he proposed that pension funds—at present free to invest their revenues tax free in government bonds with nominal coupons about 10 percentage points above the inflation rate—should be forced to provide equity and quasi equity capital (such as subordinated loans)—to the private sector.

His formula was 10 per cent of fund revenues, or about DKr 3bn (about £220m) a year, to go to the private sector, and about 40 per cent into index linked bonds yielding 2½ percentage points more than the prevailing inflation rate. Most of the latter would have gone into government paper, since the private sector would probably be reluctant to gamble on the inflation rate, conveniently reducing the burden of servicing government debt. The pressure to reduce that cost can be deduced from a public sector borrowing requirement that has swollen to 15 per cent of GDP.

The objectives of bringing down interest rates and of channelling more money into the private sector were broadly acceptable to the Danish parliament. The method chosen, however, caused a political storm. It is easily understood why. Prevailing interest rates are so high that, if they continue, the pension funds would be in a position to pay pensions higher than pay before retirement.

The two main opposition parties, Liberals and Conservatives, have produced an alternative programme. Its main ingredients are cuts of DKr 5bn a year to taxes paid by business and a reduction of government spending next year of DKr 14bn or 8½ per cent, mainly by shaving transfer payments and by introducing charges for medical treatment and prescriptions.

Liberals and Conservatives were at loggerheads at the time of the last election, because the Liberals had previously served in coalition under Mr Joergensen. But they have since buried their differences. They should represent a real force in the forthcoming election, though its outcome is uncertain.

Problem

If a bourgeois coalition should come out of the forthcoming elections, it would face the problem, familiar elsewhere, of how to moderate the expectations raised in what is a highly developed welfare state.

The conclusion is that whatever Government emerges from the polls will find it hard to overcome existing rigidities and restore some balance to the economy—its structure, its budget, and its external account. But, provided it holds together, the emergence of a united Liberal - Conservative front does present the electorate with a genuine choice.

REFORM IN SOUTH AFRICA

The way of the tortoise

By J. D. F. Jones in Cape Town

Two years ago, Mr Botha (left), set the cat among the pigeons with his call on white South Africa to "adapt or die." Since then, he seems to have faltered.

THERE WAS a cartoon in the Johannesburg Star the other day of a large tortoise bearing the unmistakeable hand and fleshy features of the South African Prime Minister, Mr P W Botha. The tortoise was protesting: "How many times must I tell you that the pace of reform hasn't slackened?"

That sums it up. How fast must a reformer — a *verligte*, as they say in Afrikaans—move if he is not to be seen as a *verkrampte* (reactionary)? Mr Botha succeeded the tarnished Mr John Vorster in 1978; two years ago he assured the "Carlton Conference" of businessmen that "Change is the only alternative to revolution"; today he is accused of having lost his way.

Last week, here in Cape Town, he confronted 600 businessmen at a "Carlton Two" — everyone who is anyone in the republic was there — to give a reckoning of the past two years and solicit their co-operation in his future policies. But what *are* his policies these days? It is obviously important to know where the Prime Minister himself stands in the confrontation between hard-line white supremacy and *verligte* reform.

The most influential businessman in South Africa, Mr Harry Oppenheimer of Anglo American Corporation, charitably opined (after making clear his disappointment with the past two years) that he felt the Premier was still set on the path to reform, though he could not judge how fast he intended to move.

Of course, it is the speed of Mr Botha's reform that concerns everybody. Verligte South Africans (a category which includes most senior businessmen) realise that time is short and they have to get a move on. As the second most powerful industrialist in the country, Mr Mike Rosholt, executive chairman of Barlow Rand, told the conference: "Business does not believe, as the Government appears to, that there is unlimited time for the process of change," and he went on to criticise delays in policymaking in recent years. Meanwhile, from his sick bed in Kwazulu, Chief Gatsha Buthelezi, arguably the most influential black man in South Africa outside prison, warned that P. W. Botha "will destroy us all if he cannot exercise the leadership he promised when he assumed office. He must be told bluntly that he appears weak and directionless."

"P.W.," as he is known, is under scrutiny. Two years ago, he set the cat among the pigeons with his call on white South Africa to "adapt or die." Since then, he seems to have faltered. His speech last week was therefore anxiously awaited to see whether he would relaunch his reform programme. On balance, the *verligtes* were disappointed.

The single most important section of the speech concerned decentralisation. Some [illegible] per cent of South African industry is concentrated in the four main metropolitan areas. The Government has been trying for years to counter this trend — there are many governments throughout the world with a similar problem. The fact is that South African decentralisation policy, entailing a range of incentives to industry to move out to the underdeveloped tribal Homelands or at least to the "border areas," has been a dismal failure. Only 24,000 industrial jobs and 16,000 agricultural jobs have been created since the policy began, at a cost of R323m, over the decade when the labour supply in the Bantustans has been going up by over 100,000 *a year*.

Mr Botha announced an intensification and a rejigging of this policy. New incentives were released, at an estimated cost of Rand 100m a year, and a new list of priority areas drawn up, headed by the Ciskei, which is particularly poor and politically important because it is to become an "independent" Bantustan on December 4.

There are three snags. First, it has failed before. Secondly R100m (about £58m) is peanuts when set against the size of the problem, and thirdly, it has to be admitted that the reasons for trying the policy again are as much political as economic.

Put crudely, the South African Government's overriding concern is to stem the flow of blacks into the white areas. "Influx control," with all its apparatus of pass books and resettlement, has been the controversial and inadequate policy and is visibly faltering. What more sensible, then, than to move the jobs, to the blacks (in their underdeveloped Bantustans) and so pre-empt their *otherwise inevitable* journey, often illegal, to the white urban areas?

Unfortunately, too, this renewed commitment to decentralisation and regional development may not be wholehearted enough, because there appears to have been a serious casualty to the Prime Minister's original plan of two years ago: what has happened to the Southern African Development Bank, which was said to be a cornerstone of his new constellation structure?

Mr Botha last week explained that more time was needed. But it is widely known that, after much preparatory work had been done by Pretoria's mandarins, the Bank has so far been delayed not just by its cost (anything over R500m a year) nor even by the refusal of the genuinely independent regional states to join but by the reluctance of the Cabinet to give the Bank the autonomous status and guaranteed annual funding that its architects insist that it needs.

It looks as if the government wants to rely on business to play a large role in checking the flow of blacks to white areas. Mr Oppenheimer immediately cautioned the Conference, saying: "I am sure that the government would not expect the support of the private sector for decentralisation if its primary motivation was perceived to be not economic and social but political."

However, industrial decentralisation and Homeland development are at least areas where Mr Botha's government has a policy. Furthermore, it is no disaster that Mr Botha's other concept of a "*constellation of* states" of Southern Africa looks like a non-starter. A confederation may well emerge as a more realistic idea. Rather, the complaint of the last few years has been that in many areas Mr Botha has been hesitant and indecisive.

A favourite tactic has been to set up high-powered commissions to study knotty problems (there are estimated to be more than a score of these still sitting) which after a long time deliver their report only to find basic sections either shelved or rejected out of hand.

For instance, the De Lange Commission recently came up with an enormous report on the nation's education needs, only for the Government immediately to reject the fundamental recommendation for an integrated educational system under a single Minister. To take another example, the Riekert Commission was appointed in 1977 to inquire into various aspects of the manpower crisis. There is still confusion about the fate of some of the main recommendations and a *second* commission was then set up to sort out those aspects relating to influx control. Its report is sitting on someone's desk.

A similar hesitation has even jeopardised the work of the President's Council. This august forum, containing Coloureds and Indians as well as whites—was nominated in 1980 after the abolition of the Senate to act as an "advisory" body. One of its first initiatives was to recommend the Government to resolve two long-standing popular grievances by returning District Six in Cape Town and Pageview in Johannesburg to their original race-groups, the Coloureds and Indians respectively, Mr Botha promptly declined, and hopes for the Council declined, too.

More importantly, the President's Council has been working on proposals for constitutional reform, with the understood aim of finding a place for the Coloureds and Indians in some sort of joint, probably tri-cameral parliamentary system. For mysterious reasons the Council has just been directed to shift its attention to local government and is not expected to come up with proposals on the central issue until 1983.

On the other hand, many of the labour reforms of the Wiehahn Commission have been implemented and last week Mr Botha said he accepted "in principle" the Viljoen Committee's recommendations to meet the appalling shortage of black housing.

These are just a few examples of rule-by-tortoise. The reason for cabinet caution is evident. Mr Botha has been made aware of the strength of the White Right.

Outside his own party there is a clutch of right-wing, sometimes quasi-fascist, white-supremacist parties led by the Herstigte Nasionale Party, which in last April's election polled 200,000 votes.

More ominously for Mr Botha, the right wing within the National Party is flexing a considerable muscle. Its leader is the Cabinet minister and Transvaal party boss, Dr Andries Treurnicht — who rejoices in the nickname "Dr No". At this month's Transvaal Party Congress, Mr Botha was imprecise and subdued while Dr No was widely agreed to have consolidated his claim to be an alternative, or successor, premier. Dr Treurnicht is an arch-*verkrampte* who likes to quote Calvin ("The forcing together of different peoples is tyranny").

But it is not simply that Mr Botha and his *verligte* Ministers have to cope with rivals and opponents. An even more effective brake is their horror of dividing the Afrikaner *volk*. Mr Botha seems as scared of precipitating this as any of his predecessors.

(His critics reply that the Afrikaners are already split and he should acknowledge this and rule the country from the middle ground. Other critics add that all this proves that the South African system will only change substantially if it comes under the most irresistible force, which would probably have to be some form of violence. For how many whites will give up their "*douceur de vivre*" unless revolution is perceived to be beating on the door?)

So while the *verligtes* despair and "P W" procrastinates, the initiative is taken up elsewhere. Chief Buthelezi is consolidating his role as a national black leader. The black trade union leaders have realised their power and are learning to wield it, and every white businessman is having to rethink his labour policy. The African National Congress guerillas may not yet be a great military threat but sabotage has become weekly news here and no one doubts that it will get worse.

The conclusion, then, is that the South African Government is largely reacting to events rather than taking the initiative in shaping the future. There is general agreement about the nature of the central issues: education, labour, influx control, housing, rural poverty, urbanisation—all of them relating to the simple projection that in a mere 18 years' time, in the year 2000 there will be 37m blacks (now there are 21m excluding the "independent" Bantustans) and the whites will have declined from the present 16 per cent to 11 per cent of the population.

Dr Dawie de Villiers, ex-Springbok captain, ex-dominee of the Dutch Reformed Church, ex-ambassador to London, presently Minister of Commerce and Industries and a man to watch, has been telling the story of the teetotaller guest at a cocktail party.

"Take that stuff away," he proclaimed as the waiter approached with his tray. "I would rather commit adultery than touch a glass of alcohol . . ."

His neighbour hastily summoned the waiter and gave him his half-empty glass. "Take mine away too," he said. "I hadn't realised we had a choice . . ."

Mr de Villiers is presumably making a point about misunderstanding alternatives. It is not unfair to say that Mr Botha also gives the impression these days of being unable or unwilling to judge alternatives, or make firm choices about South Africa's way ahead.

Men & Matters

Flight path

Bernard Ashley, the entrepreneurial half of the Laura Ashley duo, feels he has crossed the Atlantic at least once too often in a noisy jet with a crowd of "punters" who paid a fraction of his fare for their tickets.

"Do you think Sir Freddie Laker would be interested in moving up market?" Ashley reflected wistfully after the hassle of another trip to London in search of a buyer for his FFr 5m French chateau.

If not, he says, it is about time that British and U.S. businessmen hopping back and forth across the Atlantic got together to bring a bit more style and comfort to their travels.

There must be enough interested companies, Ashley reckons, to form an Atlantic Club that would charter its own Boeing 747 to make an each-way trip a day between, say, Gatwick and a relatively pleasant and quiet airport like Newark, New Jersey.

Speed could actually be reduced a little to cut the noise and a retired butler engaged to minister to passengers' needs. "That would help them arrive in a fit mental state to do a job," he says.

Ashley is prepared to put £50,000 towards getting such a scheme off the ground—and invites others to contact him through Laura Ashley headquarters at Carno, Powys, Wales.

But for his personal jet-lag, Ashley tells me, everything would be moving smoothly. Two new shops are opening in the U.S. and a new one in Athens in December. Turnover has topped £50m and with an annual growth rate of more than 20 per cent, his textile company is still taking extra staff abroad.

"Between the idea and the reality, Between the motion and the act, Falls the shadow."

Trade marks

There is a moral here somewhere—but not for me to draw. Four young women from the Abbey National office in Banbury were given the chance to manage the Soviet Union's economy for five years this weekend and ended up top of the world trade league table.

Sue Fowler, Anne Wildish, Jane Waltham and Margaret [illegible] were competing in the final of the Chesterhouse-British Junior Chamber world trade [illegible].

Originally developed by the Institute of Social Studies in The Hague, the game is designed to foster understanding of the world economy as well as sharpen negotiating skills.

Each of the 11 teams in the final, representing a country or group of countries, was provided with money, raw materials and production capacity and by trade bargaining had to try to balance their economies.

A Midland Bank team from Guildford brought the EEC into second place behind the Banbury soviet — but there were some complaints about the way Arab oil producers got together to restrict free trade and the economic growth of the poorer nations.

Pay scales

Sheer coincidence that the weekend should bring news from Moscow itself of a fresh spirit of enterprise.

The young people's daily Komsomoskaya Pravda reports that high rates of pay are luring professional singers into the Soviet Union's church choirs. Even members of the Young Communist League have been signing up for wages of 400 roubles a month compared with a standard pay of only 120 roubles in state concert halls, says the newspaper.

It asks for readers' suggestions on what should be done about the "problem" which it implies is becoming widespread, despite attacks from both sides of the religious fence. "They may sing in church, but they only believe in roubles," the report quotes one elderly churchgoer. While an irate atheist complains that the young are "selling their souls" to the clergy.

Title deeds

All too easy to trip over a name when you are talking about the Midland Bank these days.

Chairman Sir David Barran will soon be handing over to Sir Donald Barron, former chairman of Rowntree Mackintosh: Malcolm Wilcox, architect of Midland's $830m bid for Crocker National, must not be confused with its chairman Tom Wilcox.

Just as well then to identify the Midland Bank group's new chief executive as Geoffrey Taylor, promoted from the number two spot.

He is not Harry Taylor, Manufacturers Hanover's vice-chairman, who, reports had it a few weeks ago, might be the target of an overseas foray by Midland to fill the chief executive post.

Harry Taylor quit England for the U.S. after Barclays bought Martins Bank, where he was a senior executive, in 1968. He rose rapidly to the upper reaches of America's fourth largest bank and there is now much speculation about his chances of promotion to president, Hanover's second highest position.

When John McGillicuddy (no mistaking that name) took over as Hanover chairman, he also kept the title of president and tactfully designated the two contenders for the post—Taylor and the younger John Torell—vice-chairmen.

The word is that the presidential title will soon be bestowed on one of them.

Bottoming out

Let the economists argue about industrial production and unemployment — what better place to discover whether the country is still being taken to the cleaners than Sketchleys?

All the evidence there is that we are still at the bottom of the recession. Chairman Gerald Wightman reports a sharp increase since September in the amount of old clothes being brought to his shops for repairs. "It's really a case of make-do-and-mend these days," says Wightman. "Leather patches on elbows, frayed trouser bottoms, new zips, new pockets—all our repair services are under great demand."

He reckons his repair business is up by 25 per cent on last year. But the depression has left a contrasting mark on the dry-cleaning side. Clothes are being brought in less frequently and noticeably dirtier.

Happy daze

Overheard: "No thanks, old boy. If I drink at lunch-time I come to a full stop during the afternoon." — "Oh. With me it's more like a coma."

Observer

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[ملاحق الاعلان]

BRITAIN'S NEW AGRs

The factories of the future

By David Fishlock, Science Editor

RITISH electricity in an unprecedented assist its suppliers, is a total of about £150m nced manufacturing s, research and train- v factories, largely by the customers, are 1 stream in the North- Scotland.

factories, for such s as Northern Engin- dustries, Howden and are as advanced as UK manufacturing today. They are being ointly by the Central y Generating Board South of Scotland y Board as part of the for the two new power stations at , in Lancashire and near Edinburgh. The posite, shows how the 1 £150m is being spent.

w production lines are nuclear industry. They ing costly and critical rts—boilers, blowers, etc.—for the four new gas-cooled reactors under construction at in Lancashire and south of Edinburgh.

e first time since the hen it built the eight of Calder Hall and oss, Britain has a run of identical "They will not be l-forked in the corner ries," says Mr Dennis esponsible for the con- programme of the Electricity Generating

ong delay in formally the contract between GB and the National Corporation for con- of these reactors has up the manufacturing nt. James Howden at is already cutting r the first of an order as circulators, the size ero-engines and costing ece.

oe is far advanced with t of eight 1,000-tonne 1 prefabrications. It will ed complete by barge iddlesbrough to Hey- le next summer.

ern Engineering Indus- t Gateshead has just a highly automated y-line for 48 boilers in obots of the company's esign will be making m critical welds before R orders are executed. advanced manufac- turing investments planned by the electricity industry include a new machine shop for graphite which Fairey Engineering requires to produce bricks for the cores of the AGRs; and a new "clean room" at NEI-Reyrolle for assembly of 760 control rod actuators.

The net effect of this investment for what has been called "watchmaking on a tonnage scale" is to shift a large part of the more exacting manufacture and testing of AGRs—far more than was believed in the early 1970s — away from the site, back into the factories. It may even be possible to claim that *more* of the AGR could now be factory-made than of the rival American pressurised water reactor.

Mr Ian Marshall is the engineer behind the new factory of James Howden at Renfrew. He was head of procurement for the NNC, the electricity industry's "agents" under the new AGR contracts for design and construction of the reactors. "I wanted to be somewhere where I could influence things again."

Howden has received a £104m order for 40 gas circulators—eight per reactor, plus spares. They are 7,000hp electric pumps that keep carbon dioxide gas coolant at dull-red heat compressed to the density and turbulence of a tidal wave. They will run round-the-clock yet are designed for a major overhaul only every eight years.

Ian Marshall has just begun to commission a £7m investment in a new factory which, by mid-summer 1982, is expected to

More of the AGR may be factory-made than its PWR rival

assemble and test one gas circulator a month. Before it leaves Howden it will be tested in a simulated reactor on the shop floor, at the temperature and pressure of a real AGR.

Howden has put up about one-quarter the cost, the rest being shared by the CEGB and South of Scotland Electricity Board, as customers for the new AGRs.

The most critical parts for the gas circulators, such as impellers and shafts, are machined

REBUILDING BRITAIN'S REACTOR INDUSTRY

(1980 prices)

Additional manufacturing capacity	£40m
Design work (including preparation of manufacturing and site erection drawings)	£70m
Research and development	£30m
Training	£10m
Total	£150m*

* This would be a non-recurring cost, reducing the cost of any further orders for the AGR.

from solid alloy steel forgings by imported computer-controlled tools. "We really tried hard to buy British machine tools but they are just not available," Mr Marshall laments.

Techniques to be found in the new factory include computer-controlled plasma cutting of steel plate, automatic 3-D inspection, and a "totally live" computer-based stores system. "This is the future," Mr Marshall believes, as he builds up to around 250 staff at peak production.

At Gateshead, NEI has taken a boiler shop which once fabricated fossil-fired boilers by traditional "metal-bashing," and transformed it into a highly automated production line for AGR boilers. The investment is estimated at £6m, again coming mostly from the electricity boards. But it rests on a big investment by NEI in developing unique boiler assembly techniques.

AGR boilers are built up from "platens," like huge electric kettle-heating elements of alloy steel tube, weaving their way up the boiler. The art is to take relatively short lengths of tube, weld them into much longer lengths, bend them through "hairpins" accurate to about 0.1in so that they will nestle within the confines of an AGR boiler, then weld the weaving platens into one rigid structure that will survive the 30-40 year life of the reactor.

A further complication is that all this must be done on three different materials, chosen to accommodate the conditions at different levels in the boiler. Feedwater entering the tube at the bottom is heated to 550 degrees C and 202 bar (atmospheres) pressure by the time it reaches the top.

The flagship of new technology developed for this factory is spacer welding by robots. "Not the sort of robots you see on TV," Mr Don James, managing director of NEI-Power Engineering, points out. He believes it is the only robot welding to be found in boiler-making anywhere in the world.

Where TV robotic welding is usually the relatively undemanding spot-welding of cars and appliances, spacer welding for the AGR boiler design calls for welds to exacting nuclear standards of quality and precision. It transforms the large, floppy platens into a rigid assembly of thousands of feet of continuous boiler tube.

NEI's robots work in pairs from a gantry, welding platens —1,200 welds per platen—automatically to a computer programme. Automatically, too, the robots turn aside at frequent intervals to "clear their throats," into spittoons, of debris which could clog the welding head. "There's a great deal of experience built into these machines," Mr James claims proudly.

NEI has a contract worth about £150m to make 48 AGR boilers — an estimated 8m spacer welds for its robots—over the next three years.

AGR orders worth at least another £200m have been taken by other parts of the NEI empire, it is estimated. NEI-Reyrolle, for example, is planning to rebuild a £400,000 facility for the assembly and testing of control rod mechanisms, as part of a £6.5m contract for the regulation and emergency shut-down of the AGRs. There are 190 of these actuators per reactor, each costing around £15,000.

The technology has much in common with Reyrolle's traditional skills in switchgear, more mechanical than electrical in content, albeit with very exacting nuclear requirements for reliability. But control rods descending at a mere 8 ft per second in an emergency shutdown or "scram" are sluggish by their standards for electrical circuit-breaking, Reyrolle engineers say.

Physically most impressive of all the new AGR factories, however, is Whessoe's £4m investment at Dock Point, Middlesbrough, in the gas baffle assembly building, from which the first of eight 1,000-tonne steel pre-fabrications is *scheduled to roll next summer*. Whessoe is providing more than 3,000 tonnes of steel for each reactor, in a contract worth more than £100m. Two-thirds of it will be assembled on the new production line at Dock Point, into two different 1,000-tonne

You have to think prefabrication on the drawing board

modules for each reactor, 100 per cent inspected in the factory, where previously they have been assembled in tents on site. One is more than 100 ft in diameter. The third sub-assembly—the pressure vessel liner—has still to be fabricated on site, from 16 large prefabrications produced at Darlington.

"You have to think prefabrication on the drawing board," one engineer explains.

Altogether, Whessoe is hoping for contracts worth about £150m from the NNC for the four AGRs. Smaller fabrications at Darlington include 32 steel barrels, each of 35 tonnes, to house Howden's gas circulators; and a £20m contract to weld up hundreds of standpipes lining the channels through the reactor for fuel and control rods—" the nearest thing we have to mass-production."

At Dock Point, the 1,000-tonne prefabricators are being erected by welders working with remote-controlled welding gear. Welding conditions are precisely predetermined, leaving welders perhaps high on the prefabrication with a restricted operating range. About 800 tonnes of the first one has already been assembled. When complete, the prefabrications will also be stress-relieved on the factory floor.

Whessoe developed the techniques for prefabrication and optically aligning such huge fabrications for North Sea platform contracts. "We couldn't have done 1,000-tonne prefabrications without North Sea experience," says Mr Ronnie Bishop, managing director of Whessoe Heavy Engineering. It shipped a 1,850-tonne prefabrication for the North Sea last year.

He believes such experience has put the AGR "well ahead" of the PWR in terms of factory assembly into big modules. Overall, *he claims*, Whessoe's new techniques have pulled 1,200-man years of work off the site and back into the factory for the four new AGRs.

Whessoe makes no secret of the fact that it is urging its customers to order more AGRs, and soon, despite the Government's declared intention of making the Sizewell B PWR Britain's next nuclear order. As "metal bashers," it was among the first contractors to receive AGR orders, and will be one of the first to finish. It points out that further AGR orders will not have to carry the heavy cost of the advanced manufacturing investment.

In spite of its commitment to the four AGRs, however, and the fact that it is the biggest single beneficiary so far, NEI denies that it has any preference for a particular reactor.

Mr Duncan McDonald, chairman of NEI, says he sees his job as winning business for NEI from whatever power station contracts are being placed, and not as lobbying for a particular type of reactor.

Mr McDonald recently ordered a study of NEI manufacturing resources in relation to the requirements of PWRs. It concluded that, of those parts which might be expected to fall within its bailiwick — some 21 sub-systems or components — NEI factories could undertake everything required for the PWR except for the big forgings of the reactor pressure vessel and steam generators. No one else in Britain can make these forgings, either.

Lombard

How to organise the good life

By Michael Dixon

"CIVIL WAR carried on by other means," says Alasdair MacIntyre of national politics in his new critique of social organisation*. Although adapted from Clausewitz, his definition is topical. Fear that the other means will be lost down the gulf between Left and Right must explain much of the support in Britain for the central Social Democrat-Liberal alliance in spite of its lack of coherent policies.

Whether it is typically British to prefer muddle in the middle to logically clearer extremes, the question is: can this preference guarantee sustained civil peace in a turbulent future? The view of Prof. MacIntyre, a social philosopher, *is that it cannot unless society* solves a fundamental moral problem.

He insists that different individuals and interest groups now claim inalienable rights which are too disparate to be reconciled by economic or political adjustments. For example, some citizens hold justice to require that people can keep wealth far above the average provided it was legitimately acquired. Others hold justice to necessitate that such advantage be confiscated and shared equally.

Logic cannot decide this issue, because neither view is more rational than the other. Peaceful reconciliation is possible only by reference to shared, over-riding moral criteria. Such criteria depend, the professor argues, on prior agreement that there is a particularly *good* life which not only should but can be lived by all concerned.

Concepts of this kind prevailed from Aristotle until Christianity began to be fragmented in the 16th century. They provided a coherent moral framework in which it could be judged whether something was good as distinct from expedient. No such concept exists today.

Truly moral argument is therefore prevented. All I can convey by telling you something is "good" is that I approve of it and believe you should too. If you do so, I may feel that you have been persuaded by the moral force of my view. But in reality your agreement can have been procured only by my ability to manipulate or my power to coerce you to conform with my prejudice.

The moral framework is simply omitted by the Western approach of legally prescribing what should not be done and otherwise leaving individuals to decide what are virtues and vices. Nor can a substitute for the framework be provided by Marxist or like attempts to theorise a just world and derive from the theory rules prescribing how all the inhabitants will have to think and act.

People's outlooks and behaviour cannot be regulated universally. They are determined locally by the person's own history and circumstances and those of others in close contact, and so differ from place to place and change over time —a process which makes impossible a reliably predictive social science.

This impossibility also prevents the framework from being substituted by bureaucratic organisation. Bureaucracies may be rational and fair in theory. But they cannot be so in practice unless their managers act with scientific impartiality— which presupposes reliable means of forecasting and decision taking, which in turn presupposes a predictive social science.

It is consequently futile to try to manage economies and comparable social complexities as though they were subject to finite rules like games of chess. In real life, official checkmate is liable to be defeated by a lob to the backhand corner. Leading citizens committed to peace would do better to set about formulating a coherent concept of the good life capable of being lived by all.

Evidently because people's outlooks and behaviour are locally determined, MacIntyre thinks the moral design necessitates a federation of essentially self-governing local communities. Each must be small enough to depend on a generally recognisable contribution to the communal good from every adequately able inhabitant, and to allow if not oblige each individual to engage in work or other activities which are self-fulfilling regardless of any external rewards they may generate.

**After Virtue: Duckworth, £24.*

Letters to the Editor

bing the chairmen of nationalised industries

Ir S. Steward.

As one-time chairman lectricity board I found bing to read (November Government's intention the powers of chairmen onalised industries by them more accountable sters and sacking them ey step out of line with nent policy.

there is usually some mileage to be gained nigrating nationalised es, I cannot see how erformance would be ed if their chairmen more directly under rs' thumbs. The Govern- track record does not much confidence in rs' abilities to direct the of large industrial ations and, if the judg- d decisions of the chair- e to be influenced more by political expediency than commercial advantage, enterprise and initiative will be discouraged. Furthermore, the present difficulty of finding men of sufficient calibre to manage these large enterprises will be aggravated if the specification calls for "yes men," prepared to execute someone else's bidding, right or wrong.

I have noticed that Ministers have been reluctant to accept the onus of using their power to give directions to nationalised industries and I wonder if *the arm twisting that could be* exerted by the threat of dismissal is considered a politically safer option?

In addition to the reference to Sir Denis Rooke your report mentions Sir Derek Ezra, National Coal Board, and Mr Glyn England, Central Electricity Generating Board, as candidates for the chopping block. As far as the CEGB is concerned, the report of the Monopolies and Mergers Commission, while criticising the Board for investment appraisal, paid tribute to the general efficiency of operation, cost control and cost consciousness under Mr England's leadership. The Commission pointed out that there was little scope for further cost savings, except in the areas of coal and plant procurement where higher costs had resulted from Government intervention. If Mr England has disappointed the Government it is possible that this is because he has resisted political pressure to increase his costs. It would surely be wrong to weaken a resolve of this kind.

Stanley Steward.
The Athenaeum,
Pall Mall SW1.

rnational textile trading needs regulation

he Director,
g Industries Federation

-Your editorial attack ber 9) on the GATT bre arrangement (MFA) escape unchallenged.

credible commentary on rade" must always draw essary but clear distinc- tween trade with other ed countries, which, if hould be totally un- l, and trade with the less ed countries (Ldc) must be regulated at le levels.

omparison with the UK, wage levels in Ldc ry from 52 per cent in Korea to as little as ent in Sri Lanka and not hours a week, let alone for 60 hours and more e of child labour is not non. The heavy over- of employment protec- aid holidays, pensions of the other benefits workers in an advanced rightly, within reason, me to expect, invariably exist in third world es. Neither too does the of protecting the en- nt.

ptance of the MFA philo- provides some real hope ould not, therefore, be d as an instrument of anted protectionism. more, it should be hailed means of providing a to an otherwise in- le dichotomy. But, un- textiles, over-generous base levels and growth which cannot be repeated, neant that despite the ver 1.5m jobs have been lost at Community level, including 370,000 in the UK, in less than a decade. Only 25 per cent of these losses could be attributed to improved productivity and, this in spite of sectors like the UK knitting industries, enjoying productivity levels together with a design and quality capability which are second to none worldwide.

Meanwhile, all strength to your elbow in seeking to persuade the U.S., Japan, Canada, Australia and other developed countries to accept, like the Community, a greater share of the burden by absorbing more Ldc manufactures while at the same time removing often insuperable tariff and non-tariff barriers against our exports to them.

John Harrison.
7, Gregory Boulevard,
Nottingham.

Peace groups keep on trying

From Margot Miller

Sir,—In his article (November 9) on U.S. defence policy (if there is one) Ian Davidson says "the nuclear disarmers in Europe are even more irrational in focusing their protests primarily on the theatre nuclear forces." I take this sentence out of the context of his argument about European reactions to the inconsistencies of U.S. foreign policy and the Haig/Weinberger battle, but I wouldn't accept that peace groups have concentrated mainly on Cruise and Pershing —these are the brief slogans and headlines that the media are at last noticing.

Small peace groups have been objecting to the build up of nuclear arms for a long time, and particularly since the last UN special session on Disarmament. When media attention is scant, messages have to be brief and simple. It is only in recent weeks that the newspapers have dealt in any length with complex "defence" issues, and the Financial Times has had very informative articles on eg. Trident costs, plutonium, nuclear disarmament, etc. If only all this information of discussion had been around when we made—whoops—when the decisions to order Trident, having over 100 U.S. bases etc. were made.

Anyway—here we are in November, 1981—and we have to decide whether to order Trident II and the Netherlands have to decide whether to have Cruise and Pershing II. Women from various organisations will be joining Dutch women in the Hague at the end of November lobbying their Parliament to say "no," and then we go to Amsterdam where 250 women from East and West Europe will focus on the wider aspects of the nuclear weapons modernisation, the arms race and how women can be involved in future decisions on "defence."

Margot Miller.
Pump Close, Shilton,
Oxfordshire.

Trade unions should look to the future

From Mr D. Morris.

Sir,—While the Labour Party, as the political wing of the trade unions, has been in government or opposition, the trade unions have exercised enormous power both directly and indirectly.

The "sea change" which we are now seeing in British politics, however, may mean the end of a trade union-controlled political party which is neither likely to achieve power or be the main opposition.

Perhaps the trade unions should take a serious look at their involvement in politics and the effect it has had on low productivity, and consequently low real wages, high inflation and high unemployment, for in future, if the trade unions are to have any influence, they are going to have to attract either the Conservative Party or the SDP-Liberal alliance, both of whom are involved in policies which are designed to lead to a genuine increase in the standard of living. Perhaps the "sea change" in British politics will lead to a fundamental change in industrial relations.

David C. Morris.
21 Soho Square, W1.

London's transport problems

From the Executive Director Transport 2000

Sir,—Lord Denning is quite right to say that his ruling will leave Greater London Council "at its wits end" as to how to sort out London Transport's problems.

On the one hand the GLC's attempts to restore life into London's public transport, which, if successful, would lead to more passengers and an eventual reduction in subsidy have been declared illegal. On the other hand, the traditional policies for London's transport, carried out by both Labour and Conservative administrations, have only continued London Tranport's vicious downward spiral and ended up requiring large subsidies to make up deficits. On the basis of the Appeal Court's ruling, this too, must be illegal.

Can Lord Denning really mean that the only legal bus service in London is one that doesn't run any buses?

Nick Lester,
258 Pentonville Road, N1.

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Croda buys paint specialist

Croda Polymers International has acquired specialist paint manufacturer Rolls and Company of Edmonton, North London.

Rolls, which was founded in 1840, will be incorporated within industrial paint maker Croda Paints, a wholly owned subsidiary of Croda.

There is a long standing trading association between Rolls and Croda Paints, which is based at Harefield, Middlesex and has six manufacturing sites in the UK supported by 14 depots strategically placed throughout the country.

FT Share Information

The following securities have been added to the Share Information Service:

Aerospace Engineering (Section: Motors—Components).
Caledonian Offshore (Oil and Gas).
Habitat (*Drapery and Stores*).
Hanson Trust 9½% Loan Stock (Industrials).
London Private Health (Industrials).
Mincorp (Mines—Australian).

UDT SELLS CTC

United Dominions Trust has concluded the sale of Commercial Trading Company, of New York, to the Armco Financial Services Group, of Middletown, Ohio, U.S. CTC provides commercial finance and was acquired by UDT in 1973.

Scottish Metro. Property looks for further progress

FURTHER SATISFACTORY progress is looked for in the current financial year by Mr David Walton, the chairman of Scottish **Metropolitan Property**, the investment property concern.

Mr Walton says he is confident that rental income will continue to grow, following rent reviews and lettings from expiries of existing leases, together with revenue from completed developments.

As reported October 8, pre-tax revenue for the year ended August 15, 1981 advanced from £3.27m to £4.43m. A final dividend of 2p net raises the total payout to 3.25p (adjusted 2.71p) and the company expects to pay at least the same rate for the current year on capital increased by the proposed one-for-eight scrip issue and conversions of loan capital.

In view of the proposed scrip and outstanding conversion rights attached to the 9 per cent convertible unsecured loan stock 1992-96, *the directors are proposing* to increase the company's authorised share capital from £15m to £18m. The chairman confirms that there is no intention to issue these additional shares at present, and no issue will be made which will effectively alter control of the company without prior approval in general meeting.

During the year further prelet investments in heritable and freehold shop and office properties were acquired, including a Glasgow office block and a Wokingham supermarket. The cost of these, together with further refurbishment expenditure on existing assets, amounted to some £4.8m.

The company is currently financing a shop and office development in Glasgow, a supermarket and shopping development in Carluke and a shopping development in Edinburgh. These developments will be let and income-producing on completion in 1982. The total cost, which will be paid in cash, will amount to around £2m, of which £0.6m was expended prior to August 15, 1981.

Proceeds from sales of properties during the year amounted to some £3.6m, which was £0.68m over book value. Since August 15, further sales have been agreed at prices producing total proceeds of £2.56m, which approximates to the year-end valuation.

A professional revaluation of the group's investment properties produced a value of £92.58m as at August 15, 1981, resulting in a *surplus of £24.76m over book* value which has been credited to non-distributable valuation reserves.

Mr Walton tells members that in spite of continuing high interest rates world-wide and the recession, the company remains in a very strong position to take advantage of propositions that comply with its proven non-speculative policy of acquiring first-class property investments and undertaking substantially pre-let developments.

Meeting, Glasgow December 8, 11.30 am.

Britannia Arrow move on warrants

Britannia Arrow Holdings (BAH) — the finance, property and publishing group formerly part of Slater Walker — is to propose a reduction in the share subscription price attaching to its warrants, from 225p to 140p per share.

The decision comes in the wake of moves to cancel BAH's share premium account. A special resolution to this effect is to be voted on today at a shareholders' extraordinary meeting and a meeting of warrant holders.

Cancelling the share premium will release £23.35m, which BAH can add to current profits in order to remove accumulated losses incurred in 1975-77 from its balance sheet. The losses amounted to £23.52m at December 31, 1980, and their continued presence in the accounts would preclude BAH from paying a year-end dividend — now that it has become a public limited company and is bound by the terms of the 1980 *Companies Act.*

While the benefit of today's resolution has been clear for shareholders, however, the cancellation of the premium account has had different implications for holders of BAH's warrants and its 5½ per cent convertible bonds due in 1987.

Some warrantholders have expressed the view that compensation to them is appropriate to balance the dividend benefit to shareholders. BAH said at the weekend that "certain holders" have held talks with the company and that as a result it has been agreed to propose the new lower subscription price at the next annual meeting.

In exchange, these holders have agreed to support the special resolution before today's meetings.

Holders of the convertible bonds were offered more advantageous terms when today's resolution was originally announced on October 23. The conversion price of the bonds will be reduced from £3.33 to £1.20. This accompanied an agreement whereby the National Westminster Bank will provide the trustee with the guarantee previously afforded by the share premium account.

LINFOOD DISPOSAL

In the immediate future **Linfood Holdings** intends to complete the documentation for the sale of the delivered wholesale business.

The company will now also be able to press on with other plans to realise its potential.

RESULTS AND ACCOUNTS IN BRIEF

LONDON SCOTTISH FINANCE CORPORATION (banking, consumer credit)—Results for the year ended July 28 1981 reported October 13. Shareholders' funds £4.44m (£3.7m): fixed assets £898,599 (£996,337): net current assets £3.76m (£3.28m). Increase in group borrowings £83,573 (£558,703). Meeting, Manchester, December 3, *noon*.

EXTERNAL INVESTMENT TRUST—Profit half year to September 30 1981 £567,152 (£444,899) including investment dealing subsidiaries. £64,437 (£40,301) Tax £245,105 (£177,221). Interim dividend 4.5p (4.0p) and board forecasts final of at least 4.5p making 9.0p (8.5p). Net asset value 274.1p (269.5p).

TRANSATLANTIC AND GENERAL INVESTMENTS—*Interim dividend 3.3p* (3.1p). Revenue half year to September 30 1981 £97,718 (£111,233) including investment dealing subsidiary £43,050 (£51,687). Tax £41,054 (£49,145) Final of 4p forecast to make 7.3p (7p) Asset value per share 118.3p (111.9p).

MEDMINSTER (furniture hire and sale, shipping and forwarding)—Results year ended June 30 1981 *reported October 21.* Shareholders' funds £1.01m (£0.76m). Current assets £1.23m (£1.35m) including cash £0.27m (£0.16m). Current liabilities £1.51m (£1.59m). Holding company of Medminster is the John Delaney Group. Meeting, 3 Whitehall Court, SW, December 2 at 11.30 am.

F. W. THORPE (maker of Thorlux lighting)—Results for year ended June 30 1981 reported October 16. Shareholders' funds £2.65m (£2.31m). Net current assets £1.81m (£1.79m) including quoted investments, short term deposits and cash £0.92m (£0.96m). Chairman says encouraging progress being made and orders now growing steadily. Meeting, Birmingham, December 10 at 3.15 pm.

LAWTEX (umbrellas, clothing)—Results for year ended June 27 1981 reported October 8. Group fixed assets £1.52m (£1.68m). Net current assets £2.8m (£3.14m). Shareholders' funds £3.41m (£3.82m). Mr G. M. Schaeffer, chairman, retiring end of 1981 to be succeeded by son Mr Peter Schaeffer. Meeting, Manchester, December 2, noon.

ARMOUR TRUST (industrial holding company)—Results for year to April 30 1981 reported October 12. Group fixed assets £1.76m (£1.6m) Current assets £3.43m (£4.14m); current *liabilities £2.34m (£3.07m).* Shareholders' funds £2.35m (£2.58m). Meeting, 37 Upper Grosvenor Street, WC, November 30, 11.30 am.

WIRE AND PLASTIC PRODUCTS—Pre-tax profits for six months to June 30 1981 £170,411 (£175,321) including abnormal profit nil (£8,000): interim dividend 0.85p (0.73p) net: turnover £1.19m (£1.21m): tax £65,485 (£81,871): retained profits £75,256 (£67,951).

H. C. SLINGSBY *(maker of hand* trucks, ladders)—Sales half year to June 30 1981 £1,430,653 (£1,588,263). Profit £7,901 (£7,728). Tax nil (same). Earnings per share 0.79p (0.77p). Interim dividend 0.6p (same). Trading conditions remained disappointing because of continuing effect of recession.

GOMME HOLDINGS (maker of G-Plan furniture)—Results for year to July 31 1981 and prospects reported October 29. Shareholders funds £10.02m (£12.52m): fixed assets £6.75m (£6.76m): current assets £12.07m (£15.06m): current liabilities £8.79m (£9.44m) including bank overdrafts £5.17m (£3.76m): decrease in working capital £7876,000 (£1.52m increase): net increase in overdraft £1.42m (£1.84m): current cost taxable loss £2.78m (against historic loss of £1.95m). *Meeting: High Wycombe, December 8,* 10.30 am.

BOARD MEETINGS

The following companies have notified dates of board meetings to the Stock Exchange. Such meetings are usually held for the purpose of considering dividends. Official indications are not available as to whether dividends are interims or finals and the subdivisions shown below are based mainly on last year's timetable.

TODAY

Interims:—Bromsgrove Casting and Machining, Ferguson Industrial, Geers Gross, Land Securities Investment Trust, W. L. Pawson, Tanks Consolidated Investments.

Finals:—*Australia and New Zealand* Banking, Bolton Textile Mill.

FUTURE DATES

Interims:—

Blyvooruitzicht Gold Mining	Dec 7
Braby Leslie	Nov 18
Burnett and Hallamshire	Dec 3
Butterfield-Harvey	Dec 10
Capital and Counties	Nov 27
Charter Consolidated	Dec 1
Hinton (Amos)	*Nov 24*
Johnson, Matthey	Nov 25
Nova (Jersey) Knit	Nov 20
Security Centres	Nov 20
Triplex Foundries	Nov 26

Finals:—

Barton Transport	Nov 18
Bass	Dec 8
Brown (Matthew)	Dec 8
Durban Roodepoort Deep	Dec 7
East Rand Proprietary Mines	Dec 7
Gen. Stockholders Invest. Tst.	*Nov 18*
Kelsey Industries	Dec 15
Messina (Transvaal) Dvlpmnt.	Dec 9
Scottish Investment Trust	Nov 26
Spring Grove Services	Nov 25
Stockholders Investment Trust	Nov 19

Fobel associate in Canada acquires moulding maker

Premium Forest Products, the 29 per cent owned Canadian associate of **Fobel International**, the UK DIY products, electrical appliances and electronic equipment group, has acquired the moulding manufacturing business of **Custom Lumber and Millwork**, of Bolton, Ontario.

Premium Forest has also purchased the 11.1 acre property from which Custom operates, from the vendor and his family, in a separate transaction. The all cash consideration is payable over a number of years.

Announcing the deal yesterday Fobel says that Custom has a good record of improving profitability. With the stronger Premium Forest marketing organisation there is every reason to anticipate a substantial increase in both turnover and profit in the future.

Premium Forest has traded strongly in 1981 and a substantial profit improvement for the current year will result, the company says. The acquisition will broaden the range of products Premium offers to its customers and enhance growth prospects. There are areas for co-operation and integration of the respective manufacturing processes.

Premium Forest is one of the largest door manufacturers in the world, with factories in Scarborough, Wingham and Calgary (Canada) and Enniscorthy (Eire). The profit for 1980 was $1.01m.

SPAIN

1981 High	1981 Low		Nov. 13 Price %
388	251	Banco Bilbao	336
395	280	Banco Central	345
436	229	Banco Exterior	320
346	239	Banco Hispano	330
128	117	Banco Ind. Cat.	117
410	284	Banco Santander	383
249	148	Banco Urquijo	217
404	283	Banco Vizcaya	386
286	204	Banco Zaragoza	220
223	82	Dragados	161
81	45	Espanola Zinc	69
74.2	55.5	Fecsa	72
65	22	Gal. Preciados	38
88	63.5	Hidrola	82.7
62.5	52	Iberduero	59.5
128.7	70	Petroleos	102.5
85	70	Petroliber	82
102	47	Sogefisa	47
90	60	Telefonica	77.5
82.5	60	Union Elect.	78.2

NOTICE TO BONDHOLDERS
F. L. SMIDTH & CO A/S

U.S.$20,000,000
9½ PER CENT BONDS DUE 1988

Bondholders are hereby informed that the January 1, 1982 redemption instalment of U.S.$1,325,000 has been fully satisfied through purchases in the open market, leaving a balance remaining in circulation after this date of U.S.$17,350,000.

THE CHASE MANHATTAN BANK, N.A., Principal Paying Agent.

November 16, 1981.

PENDING DIVIDENDS

Dates when some of the more important company dividend statements may be expected in the next few weeks are given in the following table. The dates shown are those of last year's announcements, except where the forthcoming board meetings (indicated thus*) have been officially published. It should be emphasised that dividends to be declared will not necessarily be at the amounts in the column headed "Announcement last year."

	Date	Announcement last year
*Acrow	Nov 17	Int. 0.75
Akroyd and Smithers	Nov 20	Final 18.0
Allied-Lyons	Nov 25	Int. 2.0
Anderson Strathclyde	Nov 26	Int. 1.0
Assoc. Cmmnctns.	Dec. 18	Int. 1.5
*Aust. and NZ Banking	Nov 16	Final 12c
Avon Rubber	Dec 3	Final 1.0
BOC Intl.	Dec 18	Final 2.52
*BPB Inds.	Nov 24	Int. 4.0
Baker Perkins	Dec 11	Int. 2.1
*Bass	Dec 8	Final 8.3
*Beecham	Nov 18	Int. 3.096
*Boots	Nov 19	Int. 2.875
Brit. Bldg and Eng Agg.	Dec 3	Int. 1.0
Brit. and Comm. Shipping	Nov 18	Int. 5.5
*Brockhouse	Nov 26	Final 1
*Brown (Matthew)	Dec 8	Final 4.435
*Burnett and Hallamshire	Dec 3	Int. 4.85
Burton	Nov 18	Final 3.5
*Capital and Counties	Nov 27	Int. 1.0
Cawoods	Dec 4	Int. 1.4
**Charter Cons.*	Dec. 1	Int. 3.4
Churchbury Estates	Nov 26	Int. 4.0
Coalite	Dec 3	Int. 1.36
*Courtaulds	Nov 26	Int. nil
Dawson Intl.	Dec 2	Int. 3.0
Distillers	Dec 18	Int. 3.0
Dobson Park	Dec 9	Final 3.31
Eastern Produce	Nov 21	Int. 1.4
Elliott (B.)	Nov 27	Int. 5.0
*English China Clays	Dec 17	Final 3.5
Extel	Nov 20	Int. 2.25
Ferranti	Dec 4	Int. 2.5
*Flight Refuelling	Nov 18	Int. 0.95
*French Kier	Nov 26	Int. 0.95
GEC	Dec 4	Int. 3.5
*GEI Intl.	Nov 17	Int. 1.78
Granada	Dec 4	Final 2.766
GUS	Dec 4	Int. 4.5
Greenall Whitley	Dec 18	Final 0.9286
Guinness (A.)	Dec 12	Final 3.325
*HAT	Nov 17	Int 1.25
*Hall (M.)	Dec 2	Int. 1.974
*Hambros	Nov 24	Int. 65.0
Hanson Trust	Dec 10	Final 4.75
*Heath (C. E.)	Nov 24	Int. 3.1
ICL	Dec 11	Final 2.025
IC Gas	Dec 9	Int. 2.7
Intnl. Paint	Nov 27	Int. 0.95
Intnl. Timber	Dec 2	Int. 2.0
*Kwik Save	Nov 25	Int. 2.7
LRC Intl.	Dec 15	Int. 0.7
*Land Sec.	Nov 16	Int. 2.55
*MEPC	Dec 1	Final 4
*MK Elec.	Nov 30	Int. 5
Marley	Dec 17	Final 1.25
*Metal Box	Nov 23	Int. 4.2
*Mayer (M. L.)	Dec 8	Int. 1.75
Norcros	Dec 12	Int. 1.98
Pegler Hattersley	Dec 10	Int. 4
Philips' Lamps	Dec 12	Int. 0.80
*Pilkngtn. Bros.	Dec 2	Int. 6.0
*Powell Duffryn	Nov 19	Int. 4.7
RHM	Dec 2	Final 2.12
Readicut Intl	Nov 18	Int. 0.65
Rediffusion	Nov 28	Int. 1.25
*Redland	Nov 26	Int. 2.67
Renold	Nov 20	Int. 2.0
*Rothmans Intl.	Nov 25	Int. 1.0
Royal Bank Scotland	Dec 4	Final 2.7
*600 Group	Nov 26	Int. 2.34
*Smith (W. H.)	Nov 18	Int. 0.28
Stenhouse	Dec 11	Final 2.65
*Tesco Stores	Nov 17	Int. 1.0
Trafalgar House	Dec 9	Final 2.85§
Tunnel	Nov 27	Int. 3.5
Unigate	Dec 18	Int. 2.2
**Unilever*	Nov 17	Int. 5.94
United Scientific	Dec 18	Final 3.0
Ward (T. W.)	Dec 17	Final 4.11
*Wedgwood	Nov 25	Int. 0.875
Westland	Dec 10	Final 3.5
Wolv. and Dudley Brews.	Dec 9	Final 3.6
Woodhead (Jonas)	Dec 5	Int. due

* Board meeting intimated. † Rights issue since made. ‡ Tax free. § Scrip issue since made. ¶ Forecast.

FINANCE FOR INDUSTRY TERM DEPOSIT

Deposits of £1,000–£50,000 accepted for fixed terms of 3–10 years. Interest paid gross, half-yearly. Rates for deposits received not later than 4/12/81

Terms (years)	3	4	5	6	7	8	9
INTEREST %	13¼	13¼	13¼	13½	13¾	14	14

Deposits to and further information from The Chief Cashier, Finance for Industry Limited, 91 Waterloo Rd., London SE1 8XP (01-928 7822, Ext. 3). Cheques payable to "Bank of England, a/c FFI". FFI is the holding company for ICFC and FCI.

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Co-Managed by

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Union Bank

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Bankers Trust Company
Banque Européenne de Crédit (BEC)
Crocker National Bank
Midland Bank Limited
The Saudi National Commercial Bank Bahrain O.B.U.
The Nippon Credit Bank, Ltd.
The Tokai Bank, Limited, New York Branch
Standard Chartered Bank Limited
The Bank of Yokohama, Ltd.
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Banco de la Provincia de Buenos Aires Grand Cayman Branch
The Mitsubishi Trust and Banking Corporation
Union Bank
Harris Trust and Savings Bank
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First National Bank of Louisville
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November 1981

This advertisement complies with the requirements of the Council of The Stock Exchange.

U.S. $100,000,000

Security Pacific Overseas Finance N.V.
(Incorporated with limited liability in the Netherlands Antilles)

Guaranteed Floating Rate Notes Due 1991

Unconditionally guaranteed as to payment of principal and interest by

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Kleinwort, Benson Limited
Manufacturers Hanover Limited
Société Générale de Banque S.A.
Swiss Bank Corporation International Limited

The issue price of the Notes is 100 per cent. The Notes have been admitted to the Official List by the Council of The Stock Exchange, subject only to the issue of the temporary Global Note.

Interest is payable semi-annually in arrears in May and November, the first payment being made in May 1982.

Full particulars of the Notes and Security Pacific Overseas Finance N.V. are available in the Extel Statistical Service and may be obtained during usual business hours up to and including 30th November, 1981 from the brokers to the issue:

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London WC1V 7PB

16th November, 1981

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$100,000,000

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Unconditionally Guaranteed as to Payment of Principal and Interest by

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Société Générale de Banque S.A.
Swiss Bank Corporation International Limited
Union Bank of Switzerland (Securities) Limited
S. G. Warburg & Co. Ltd.

November 16, 1981

...RNATIONAL BONDS

BY ALAN FRIEDMAN

Rally brings 'positive carry'

TECHNICIANS at ... space shuttle's ...ntrol were shouting: ... ignition, we have ...st week, bond traders ...rodollar market were ...eful, declaring: "We ...ive carry."

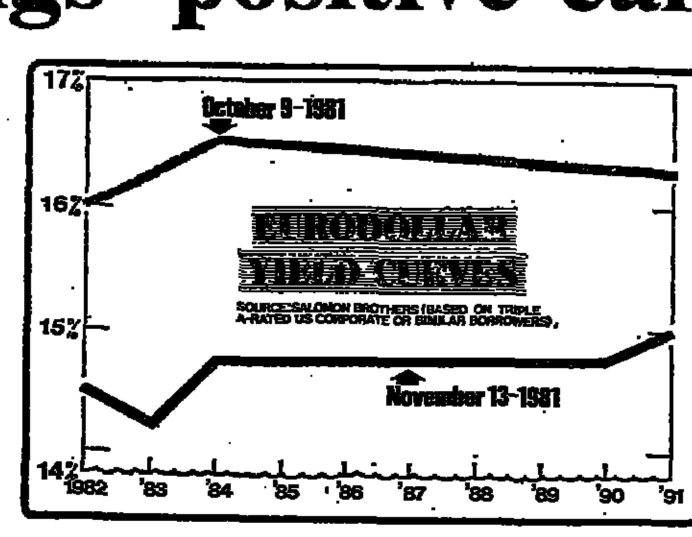
...ly was in full swing ...ces moved nearly four ...her in the Eurodollar ...nd dealers admitted ... money." Positive which happens when money is below the long-term bonds — prevalent among new ...n seasoned bonds, but ...s general optimism ... progression of the ...rve.

...the many reasons ...opean bond traders ...ing last week, a wave ...interest seemed the ...t and foremost for ...ere was heavy investor ...n seasoned bonds, and it appeared that new issues were being digested quite promptly.

Other factors which lent strength to last week's continuing rally included:

- The rapidly climbing New York Treasury bond market;
- A drop in the Fed funds rate to less than 13 per cent by last Friday;
- A 1½ point fall in the six-month Eurodollar rate to 13⅞ per cent on Friday;
- The cut in the U.S. prime rate to 16½ per cent;
- Friday's news of an October decline of 1.5 per cent in U.S. industrial output.

The past fortnight has seen $1.2bn of new fixed-interest Eurodollar bond volume, but last week's undoubted success story was the issue for Du Pont, America's largest chemicals company and the winner of last summer's $7.6bn battle for Conoco.



Du Pont is the sort of name which normally acts like catnip on Swiss investors, and its current jumbo bond is a case-in-point. On Thursday morning lead-manager Credit Suisse First Boston offered $250m of seven-year paper with an indicated coupon of 14¾ per cent. The market was so buoyant and demand was such that two hours after the telexes had been dispatched CSFB decided it could get away with a 14½ per cent coupon instead. By the opening of the New York market, it was decided to boost the issue to $400m.

As of Friday night CSFB was describing the issue as over-subscribed.

How long will the rally continue? It certainly won't be hurt by Henry Kaufman's prediction on Friday that the U.S. prime rate will fall to 15 per cent or less. Nevertheless, there are already indications of profit-taking by some investors.

Even the current ebullient climate cannot eliminate the Pavlovian reflex, conditioned by many months of gloom, to off-load paper when prices arch upward. The question some investors might ask themselves is whether the next technical slump will be a good time to buy rather than sell.

The D-mark foreign bond market is also enjoying a buoyant phase. Today sees the launch of a DM 150m 10-year issue for Quebec-Hydro through Westdeutsche Landesbank. The issue, expected to carry a 10½ per cent coupon, was originally scheduled on the German calendar to be DM 100m, but WestLB is hoping to increase the amount this afternoon.

In Switzerland, investors in the foreign bond market were encouraged last week by a ¼ point cut in the deposit rate for short-term money. The average price rise was a point on the week.

This morning will see the launch of a SwFr 100m issue for the Kingdom of Sweden through Credit Suisse. The coupon should be 7¼ to 7½ per cent.

Reports from Zurich indicate that a sizable queue of potential borrowers is developing for the early part of 1982. Among those preparing to come to the market are at least three well-known U.S. corporations.

With coupon rates now becoming more reasonable in the Eurobond markets, it may not be long before more quality borrowers return.

- A $100m 10-year floating rate note is being launched today for the Bank of Tokyo (Curacao). The issue carries a minimum coupon of 5¼ per cent and a spread of ⅛ point above the London interbank offered rate. Lead-managers are Bank of Tokyo, S. G. Warburg, and CSFB.

CURRENT INTERNATIONAL BOND ISSUES

Borrowers	Amount m.	Maturity	Av. life Years	Coupon %	Price	Lead manager	Offer yield %
U.S. DOLLARS							
†Banca de la Nacion Peru	25	1986	5	7Φ	100	ABC, Arlabank	7.123Φ
†Banco de la Provincia de Buenos Aires	50	1988	7	7¼Φ	100	Morgan Guaranty, Orion Royal	7.900Φ
‡Ontario Hydro	200	1991	10	16	100	Deutsche Bank	16.000
‡Bank of Montreal	150	1991	10	16¼	100	UBS, Morgan Stanley	16.250
‡†Industrial Bank of Japan	50	1988	7	5¼Φ	100	IBJ, Morgan Stanley	5.319Φ
‡§Life Company	25	1996	15	6	100	Nikko Securities	6.090
†Security Pacific	100	1991	10	5¼Φ	100	CSFB, S. G. Warburg	5.319Φ
‡†Offshore Mining Co.	150	1991	10	5¼Φ	100	S. G. Warburg	5.319Φ
‡Japan Air Lines	50	1988	7	15¼	99¼	Citicorp, CSFB	15.327
‡Transco	50	1988	7	16¼	100	CSFB	16.250
‡TransCanada Pipelines	100	1989	8	16	100	UBS Salomon Bros.	16.000
‡††European Invst. Bank	125	1991	10	14¾	99¼	Salomon Bros.	15.372
‡**EEC	25	1993	12	15½	100	S. G. Warburg	15.500
OKG (Sweden)	50	1997	16	15¾	*	Hambros, Skandinaviska Enskilda	
‡Du Pont	400	1988	7	14½	100	CSFB	14.500
‡†Merrill Lynch Overseas Capital NV	100	1984	3	5½Φ	100	Merrill Lynch	5.500Φ
††United Mexican States	100	1986	5	15½	100	Morgan Stanley, First Boston Corp., Merrill Lynch	15.500
‡†Bank of Tokyo (Curaçao)	100	1991	10	5¼Φ	100	Bank of Tokyo Intnl., S. G. Warburg, CSFB	
†ICICI	30	1991	10	6½	100	Credit Lyonnais, Mnftrs. Hanover, Standard and Chartered	
††Republic of Finland	100	1986	5	14¾	100	Salomon	14.750
CANADIAN DOLLARS							
Canadian Utilities	50	1996	9.75	17	*	Wood Gundy	*
Societe d'Hypotheque Procan	35	1986	5	17½	100	Society Generale	17.500
D-MARKS							
‡Venezuela	100	1991	10	11½	100	West LB	11.500
‡IADD	100	1991	10	10¼	99	Deutsche Bank	10.416
‡EEC	100	1993	12	10⅛	100	Deutsche Bank	10.125
‡§Mitsubishi Heavy Inds.	150	1989	8	6	100	Deutsche Bank	6.090
SWISS FRANCS							
Betica	50	1990	—	8¼	*	UBS	*
‡§S. and B. Shokuhin	20	1987	—	6½	100	SBC	6.500
‡§Kitz Corp.	20	1987	—	6½	100	Credit Suisse	6.500
‡Norges Hypotekforening	50	1991	—	7¼	99	Nordfinanz Bank	7.647
‡Oest. Kontrollbank	100	1991	—	7¼	100	SBC	7.250
GUILDERS							
‡Credit Foncier de France	100	1996	15	13	101	Nederlandsche Middens-standsbk., AmRo Bk.	12.847
YEN							
‡The World Bank	30bn	1996	12.3	8.6	99.9	Nikko Securities	8.612
ECUs							
Instituto Bancario San Paolo di Torino	30	1988	5½	14¾	*	Credit Lyonnais, Kredietbank	*

* Not yet priced. ‡ Final terms. ** Placement. † Floating rate note. Φ Minimum. § Convertible. †† Registered with U.S. Securities and Exchange Commission. ¶ Purchase Fund.

Note: Yields are calculated on AIBD basis.

BONDS

BY DAVID LASCELLES

Big borrowers pour in

...second week running, ...S. credit markets ... ahead, fuelled by ...t the deepening reces... reduce credit demand, ... the Federal Reserve ... stand in their way. ...ond values have ... by 15 per cent since ...ning of the month, and ...n interest rates have ... sharply.

...is the prevailing sen... obviously. But there ...ment of surprise, too. ...ould have predicted as ...as a fortnight ago that ...ket would show such demand for debt securities all week — always a healthy sign. Investors appear to have got over their worries about inflation. The Government deficit, for so long the market's bogeyman, is now pooh-poohed with the newly fashionable argument that history shows no link between the size of the deficit and movements in interest rates.

...r Henry Kaufman, the ...l Salomon Brothers ...t who has put out a ...ine for so long, was ...ing by the end of last ...n his Comments on ... predicted that the ...s rate would fall into ... per cent range or lower ...nber. This would pro... "highly favourable ...ent," he said, with the ...ing the discount rate, ...e rate's fall accelerat...l the long-term bond ...aining. But everything ...ped with the usual ... caveat "at least over ...term."

...s reported strong retail

The fate of the present rally, it would therefore appear, depends on history repeating itself.

Interestingly, the market's worst moment was when Mr David Stockman, President Reagan's Budget Director, offered to resign over the magazine article quoting his sceptical views on the Reagan economic programme. Mr Stockman is Wall Street's champion of the balanced budget. And although he seems to be fighting a losing battle right now, his departure from the White House would have been a serious blow to market confidence.

The Fed's Open Market Committee meets tomorrow to set policy for the next month, and the expectation is that it will do nothing to impede the market, particularly since money supply growth is now way below target (despite last Friday's sharp $2.2bn leap in M1-B), and the economy is sliding into what could be a nasty recession.

Borrowers poured into the market to take advantage of its strength. Caterpillar Tractor, Borg Warner, Alcoa, the European Investment Bank, Finland, Mexico, and several Canadian entities were among those who sold notes and bonds. This week's tentative calendar includes AVCO, Ford, IBM, CPT, GTE, Philip Morris and the Kingdom of Denmark.

The majority of these issues have maturities of 10 years or less—a sign of the times given the ragged state of the long term market. Of special interest will be Manufacturers Hanover's sale of $100m of four year notes bearing warrants to purchase $200m of zero coupon bonds due in 1989. The pricing of this Triple A issue is expected to give investors a chance to gamble on the continued decline in interest rates.

U.S. INTEREST RATES (%)

	Week to Nov 13	Week to Nov 6
Fed funds wkly. av.	13.65	14.82
3-month Treas. bills	10.65	11.54
3-month CD	12.40	13.60
30-year Treas. bond	13.37	14.02
AA Industrial	14.50	15.50
AAA Util.	15.00	16.25
30-day visible supply	$8.3bn	$5.6bn

Source: Saloman Bros. First Boston.

CREDITS

BY PETER MONTAGNON

Yugoslavia's plans run into resistance

YUGOSLAVIA is continuing to meet considerable resistance to its plans to raise a large Eurocredit from U.S., British, Canadian, and Japanese banks.

After [illegible] already that it will be impossible to raise the full [illegible] originally sought, the [illegible] National Bank now fears the prospect of the whole project falling behind schedule.

Bank officials had hoped to have the credit [illegible] up by the end of November, but by the end of last week there was still nothing on the table covering precise details and amounts.

Some banks were reportedly unconvinced about the wisdom of committing new money to Yugoslavia at any price in view of its uncertain economic prospects and the debt problems that have emerged in neighbouring Comecon countries.

Their resistance illustrates the extent of the chill that has descended on Eastern European finances since the Polish debt rescheduling talks began late last year. But it also comes against the backdrop of an uncertain Eurocredit market where volume remains rather low as banks reassess the prospects for individual borrowers.

Still awaited last week was the formal mandate for Venezuela's $500m, 10-year Eurocredit. Late Friday an official of Chase Manhattan denied reports that it had already been awarded to a group of ten banks including Chase on the basis of a split ⅜-⅝ per cent margin. All the banks who submitted offers have been asked to keep them open for one more week, he said.

The credit comes under Venezuela's new programme to refinance some of its large short-term debt, and a reminder of the disorderly state of its previous borrowing came last week with news that Instituto Nacional de Puertos has asked banks involved in its $200m, one-year facility, arranged in October 1980, to accept a repayments delay of up to six months.

This would allow time for the Government itself to organise refinancing of the deal which was led by Credit Commercial de France with a margin of [illegible] per cent over Libor.

New credits announced last week included a £150m, 10-year facility for Sweden, which, as already reported, is the first sterling Eurocredit for a sovereign borrower since exchange controls were lifted in 1979. The Central Bank of Thailand is also raising a $250m, eight-year stand-by revolving facility with a margin of ½ per cent over Libor.

FT INTERNATIONAL BOND SERVICE

U.S. DOLLAR STRAIGHTS

	Issued	Bid	Offer	Change on day	Change on week	Yield
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

Average price changes... On day +0¼ on week +2⅝

D-MARK STRAIGHTS

	Issued	Bid	Offer	Change on day	Change on week	Yield
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

Average price changes... On day +0¼ on week +0¼

SWISS FRANC STRAIGHTS

	Issued	Bid	Offer	Change on day	Change on week	Yield
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

Average price changes... On day +0¼ on week +0¼

YEN STRAIGHTS

	Issued	Bid	Offer	Change on day	Change on week	Yield
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

Average price changes... On day +0¼ on week [illegible]

OTHER STRAIGHTS	Issued	Bid	Offer	Change on day	Change on week	Yield
CIBC 13¾ 85 C$	50	†95	96	0	+1½	16.16
CIBC 11½ 85 C$	60	†91½	92	−0½	+3½	16.49
Federal Dev. 11½ 90 C$	60	†80½	81	−0½	+0½	15.67
Federal Dev. 17¾ 86 C$	40	†102½	103	[illegible]	[illegible]	[illegible]
Fst. Can. Inv. 10 84 C$	50	88½	89	−0½	+1½	[illegible]
GMAC (Can.) 18 87 C$	60	†104	104½	[illegible]	[illegible]	[illegible]
Torstar Cpn. 13½ 85 C$	20	†97½	98	[illegible]	[illegible]	[illegible]
M. Bk. Dnmk. 9 91 EUA	25	77	79	+1½	[illegible]	[illegible]
SOFTE 8¼ 89 EUA	40	75	75½	0	+2½	[illegible]
U. Bk. Nwy. 9½ 90 EUA	12	80½	81½	0	−0½	[illegible]
Algemene Bk. 10½ 86 Fl	60	95½	[illegible]	+0½	[illegible]	[illegible]
Amfas Group 12½ 86 Fl	40	99	99½	+0½	+1½	12.46
Amro Bank 12 86 Fl	75	100½	100½	+0½	+0½	11.81
Amro Bank 12 88 Fl	60	100½	100⅞	+0½	+0½	11.87
Heineken NV 10 87 Fl	100	94	94½	+0½	−0½	[illegible]
Pierson 10½ 86 Fl	50	93½	93⅞	+0½	+0½	12.20
Rabobank 12 86 Fl	50	100½	100½	+0½	+0½	11.81
Air France 14½ 86 FFr	200	91½	92½	−0½	−0½	17.13
Bk. America 14½ 86 FFr	250	91½	92½	0	−0½	[illegible]
Charb'nages 13¾ 85 FFr	400	90½	91½	0	−0½	[illegible]
EIB 14½ 88 FFr	300	86⅞	87⅞	0	0	17.61
La Redoute 14¼ 85 FFr	125	90	91	+0½	0	17.78
OKB 14 86 FFr	400	91½	92½	0	+0½	16.79
Solvay et C. 14¾ 86 FFr	200	90½	91½	0	−0½	17.90
Swed. E. Cr. 14¾ 86 FFr	250	90	91	0	−0½	17.82
U. Mex. Sts. 14 85 FFr	150	90⅞	91⅞	0	−0½	17.34
Acona 14 85 £	20	90½	91½	+0½	+1½	17.25
Beneficial 14½ 90 £	20	82⅞	83½	+0½	+2½	18.19
BNP 13½ 91 £	15	83½	84½	+0⅞	+1	17.03
CECA 13½ 88 £	20	88	88½	+1½	+3½	16.41
Citicorp O/S 13½ 90 £	50	89½	90½	+0½	+3½	15.74
Fin. Ex. Cred. 13¾ 86 £	15	91	91½	+0½	+1½	16.59
Gen. Elec. Co. 12½ 89 £	50	86	86½	+0½	+3½	15.71
Hiram Walker 14½ 86 £	25	94½	94⅞	+0½	+2½	15.99
Privatbanken 14½ 88 £	12	90	91½	+1½	+2½	16.83
J. Rothschild 14¼ 90 £	12	92½	93½	+1½	+4½	15.76
Royal Trustco 14 86 £	12	93½	94⅞	+0½	+4½	16.05
Swed. Ex. Cr. 13¾ 86 £	20	91½	92½	+1½	+3	16.34
Akzo 9¾ 87 LuxFr	500	85½	86½	+0½	+0½	12.67
Euratom 9¾ 88 LuxFr	500	87½	88½	−0⅞	0	12.72
Eurofima 10½ 87 LuxFr	500	89	90	+0½	−0½	13.15
EIB 9¾ 88 LuxFr	600	84½	85½	+0½	+0⅞	13.48
Volvo 9¾ 87 LuxFr	500	84⅞	85⅞	+0½	+0½	13.43

FLOATING RATE NOTES	Spread	Bid	Offer	C.dte	C.cpn	C.yld
Bank of Montreal 5¼ 90	0¼	99⅝	100½	18/12	16⅝	16.77
Bank of Montreal 5¼ 91	0¼	100½	100⅝	29/4	17.06	17.00
Bk. Nova Scotia 5¼ 93	0¼	99⅞	100½	29/4	17.06	17.04
BBL Int. 5 86	0¼	99¾	100¼	20/11	18.31	18.37
BFCE 5¼ 88	0¼	100½	100⅝	26/4	16.94	16.88
BNP 5½ 88	‡0¼	100	100¼	29/1	16½	16.71
Christiania Bk. 5½ 91	‡0¼	99½	99¾	5/2	15.56	15.72
Co-Ban Eurofin 5½ 91	0¼	99½	99¾	14/4	16.69	16.86
Den Norske Credit 6 90	‡0¼	99½	99¾	5/2	15.56	15.64
Genfinance 5¼ 87	0¼	100⅝	101½	30/4	17.06	16.91
Genfinance 5¼ 92	0¼	99⅞	100½	30/12	18.31	18.29
Giro und Bank 6¼ 91	‡0¼	99½	100½	23/12	17½	17.52
GZB 5¼ 92	‡0¼	99½	99½	5/12	17⅝	17.36
Ind. Bank Japan 5¼ 88	0¼	100½	100⅝	9/4	16⅝	16.54
Lloyds Eurofin 5¼ 92	§0¼	99¾	99⅞	4/12	17.44	17.53
Lloyds Eurofin 5¼ 93	§0¼	100½	100⅝	29/4	17.13	17.07
LTCB Japan 5½ 89	0¼	99⅞	100¼	16/1	18.32	18.29
Midland Int. Fin. 5¼ 92	0¼	99½	100	5/12	17⅝	17.42
Midland Int. Fin. 9 91	0¼	100	100½	30/4	17.06	17.02
Nacional Fin. 5½ 88	0¼	98⅝	98½	25/3	17.31	17.51
Nat. Bk. Canada 5¼ 88	0¼	100½	100⅝	24/3	17.31	17.25
Nat. West. Fin. 5¼ 91	§0¼	99⅝	100¼	15/1	18⅝	18.13
Nat. West. Fin. 5¼ 92	§0¼	100½	100½	23/4	17	16.94
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

Average price changes... On day 0 on week [illegible]

CONVERTIBLE BONDS	Cnv. date	Cnv. price	Bid	Offer	Chg. day	Prem
Ajinomoto 5¾ 96	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Bow Valley Inv. 8 95	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Canon 6¾ 95	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Daiwa Secs. 5½ 96	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Fujitsu 4¾ 96	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Furukawa Elec. 5¼ 96	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Hanson O/S Fin. 9½ 96	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Hitachi Cred. Cpn. 5 96	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Inchcape 8 95	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Kawasaki 5½ 96	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Marui 6 96	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Matsushita El. 7¼ 95	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Minolta Camera 5 96	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Murata 5¼ 96	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
NKK 6¼ 96	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Nippon Chemi-C. 5 91	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Ricoh 6½ 95	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Sanyo Electric 5 96	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Sumitomo Met. 5¼ 96	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Swiss Bk. Cpn. 6¼ 90	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Taylor Woodrow 8½ 90	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Tresaco Int. 8¼ 88	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Tricorp 8¼ 95	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Union Bk. Switz. 6 90	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Sharp Corp. 5½ 96	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Uny Co. 5½ 85 DM	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

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EUROBOND TURNOVER

(nominal value in $m)

	Cedel	Euro-clear
U.S. $ bonds		
Last week	3,109.3	5,520.4
Previous week	4,555.7	8,453.6
Other bonds		
Last week	850.5	933.5
Previous week	723.9	486.9

* No information available—previous day's price.

† Only one market maker supplied a price.

STRAIGHT BONDS: The yield is the yield to redemption of the mid-price; the amount issued is in millions of currency units except for Yen bonds where it is in billions. Change on week=Change over price a week earlier.

FLOATING RATE NOTES: Denominated in dollars unless otherwise indicated. Coupon shown is minimum. C.dte=Date next coupon becomes effective. Spread=Margin above six-month offered rate (‡ three-month; § above mean rate) for U.S. dollars. C.cpn=The current coupon. C.yld=The current yield.

CONVERTIBLE BONDS: Denominated in dollars unless otherwise indicated. Chg. day=Change on day. Cnv. date=First date for conversion into shares. Cnv. price=Nominal amount of bond per share expressed in currency of share at conversion rate fixed at issue. Prem=Percentage premium of the current effective price of acquiring shares via the bond over the most recent price of the shares.

The list shows the 200 latest international bonds for which an adequate secondary market exists. The prices over the past week were supplied by: Kredietbank NV; Credit Commercial de France; Credit Lyonnais; Commerzbank AG; Deutsche Bank AG; Westdeutsche Landesbank Girozentrale; Banque Generale du Luxembourg SA; Banque Internationale Luxembourg; Kredietbank Luxembourg; Algemene Bank Nederland NV; Pierson, Heldring and Pierson; Credit Suisse/Swiss Credit Bank; Union Bank of Switzerland; Akroyd and Smithers; Bankers Trust International; Credit Commercial de France (Securities) London; Citicorp International Bank; Daiwa Europe NV; Deltec Securities (UK); EBC; First Chicago; Goldman Sachs International Corporation; Hambros Bank; IBJ International; Kidder Peabody International; Manufacturers Hanover; Merrill Lynch; Morgan Stanley International; Nikko Securities Company (Europe); Orion Royal Bank; Salomon Brothers International; Samuel Montagu and Co.; Scandinavian Bank; Societe Generale Strauss Turnbull; Sumitomo Finance International; S. G. Warburg and Co.; Wood Gundy.

Closing prices on November 13

Because energy lending means much more than money, much of it is done by Morgan

Some of the officers in Morgan Guaranty's petroleum group at a meeting in London. From left, London head Peter Woicke, Alexander Catto, Thomas Ketchum, petroleum engineering head Suresh Chugh, New York head Edward Hoyt, Linda Whiddon.

Financing energy projects around the world is highly complex. The amounts are often enormous, and so are the risks. Dealing with an experienced lender is vital. That's why so many international energy companies—and governments too—turn to Morgan Guaranty Trust Company.

A leading energy bank

Our energy specialists managed over $6 billion in syndicated limited-recourse petroleum financings worldwide in the past five years. In the past two years we were the lead bank in eight of the 11 big North Sea loans, and in six of the seven major projects in Southeast Asia.

When you work with Morgan on an energy loan, you get an experienced team of bankers and petroleum engineers. Our experts know how to identify and analyse all of a project's risks—political, commercial, and technical. They help structure contracts and documentation to make sure your project can get financing. And they negotiate a loan agreement that makes sense for both borrower and lender. It may be with recourse, limited-recourse; or non-recourse to the project sponsors. When the financing requires a syndicate, they know where to find participants.

An information network

These energy specialists stay in close touch with Morgan's international bankers, economists, and foreign exchange experts—worldwide. So they're completely familiar with the political and financial environments of key areas with petroleum potential. They understand the constraints, and can recognise the opportunities.

Talk with Morgan

When it comes to energy financing, consider Morgan Guaranty. From the Beaufort Sea to the North Sea, from Africa to Australia, our capabilities can match your needs. Contact any Morgan office around the world, or write directly to Peter L. Woicke, Vice President, Morgan Guaranty Trust Company, 1 Angel Court, London EC2R 7AE.

Morgan Guaranty Trust Company, 23 Wall Street, New York, NY 10015. Offices in key financial centres worldwide.

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The Morgan Bank

Redemption Notice

Public Power Corporation

(Dimosia Epihirisis Elektrismou)

U.S. $20,000,000 8¼ Per Cent. External Loan Bonds Due 1984

Guaranteed by The Hellenic Republic

NOTICE IS HEREBY GIVEN that, pursuant to the provisions of the Trust Deed dated January 4, 1973 under which the above-designated Bonds are issued, $2,707,000 aggregate principal amount of such Bonds of the following distinctive numbers has been drawn for redemption for the sinking fund on December 15, 1981 (herein sometimes referred to as the redemption date):

$1,000 COUPON BONDS

M165	1045	1838	3416	4004	4564	5143	5695	6268	7042	8739	9374	10013	10915	11804	12564	13258	13895	14618	16336	16967	17458	18073	18807	19499
183	1053	1840	3418	4008	4588	5150	5697	6280	7051	8744	9376	10017	10916	11805	12567	13259	13900	14620	16342	16969	17461	18087	18808	19500
184	1056	1841	3423	4012	4589	5151	5699	6285	7065	8745	9377	10062	10930	11806	12578	13260	13902	14628	16343	16977	17475	18090	18818	19501
188	1057	1855	3427	4019	4591	5152	5700	6286	7067	8747	9380	10072	10929	11809	12583	13268	13903	14961	16345	16988	17478	18091	18829	19510
202	1062	1862	3439	4020	4606	5155	5709	6294	7061	8749	9381	10075	10945	11818	12585	13271	13908	14968	16347	16989	17481	18109	18830	19520
204	1065	1892	3454	4037	4607	5159	5714	6298	7528	8752	9385	10076	10948	11838	12593	13272	13921	14969	16349	16990	17488	18113	18839	19524
216	1070	1916	3464	4038	4608	5160	5718	6300	7534	8755	9386	10077	10949	11890	12597	13280	13924	14970	16350	16991	17493	18117	18841	19534
217	1071	1937	3473	4041	4610	5164	5720	6301	7542	8761	9387	10080	10950	11908	12599	13295	13925	14971	16358	16992	17495	18121	18850	19537
222	1077	1940	3479	4043	4616	5169	5727	6304	7544	8768	9398	10095	10957	11913	12605	13299	13931	14974	16361	16994	17510	18124	18555	19538
227	1080	1941	3489	4044	4630	5170	5733	6306	7560	8777	9401	10111	10963	11914	12616	13302	13932	14982	16368	16997	17511	18125	18857	19539
235	1084	1944	3496	4045	4633	5171	5749	6307	7567	8781	9410	10112	10977	11915	12638	13305	13934	14983	16391	16998	17512	18128	18864	19544
235	1085	1947	3502	4052	4643	5172	5759	6310	7569	8782	9489	10129	10978	12061	12642	13318	13943	14996	16394	16999	17515	18134	18867	19546
240	1094	1960	3517	4065	4647	5174	5760	6313	7570	8783	9495	10134	10986	12045	12645	13319	13957	15103	16397	17002	17519	18136	18871	19547
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
867	1777	3379	3920	4508	5093	5658	6201	6938	8712	9338	9927	10860	11733	12531	13223	13871	14566	15974	16917	17412	18037	18667	19354	
869	1788	3383	3932	4522	5094	5664	6221	6948	8717	9345	9932	10861	11736	12536	13225	13873	14568	15977	16924	17421	18046	18748	19355	
871	1796	3384	3949	4527	5096	5667	6222	6967	8718	9352	9935	10873	11743	12538	13226	13877	14570	15979	16933	17429	18048	18755	19362	
877	1799	3387	3952	4531	5097	5669	6238	6970	8721	9358	9939	10874	11750	12540	13227	13878	14579	16270	16941	17446	18049	18758	19363	
883	1803	3391	3955	4532	5108	5670	6246	6989	8722	9363	9940	10876	11754	12541	13228	13880	14581	16273	16951	17447	18050	18763	19368	
886	1808	3394	3961	4533	5110	5672	6247	7004	8723	9364	9982	10877	11756	12543	13230	13883	14586	16297	16953	17448	18051	18766	19478	
898	1809	3399	3967	4538	5129	5679	6251	7011	8731	9365	9985	10881	11765	12544	13231	13886	14600	16299	16955	17450	18055	18777	19485	
952	1811	3400	3975	4553	5140	5680	6252	7012	8735	9366	9991	10889	11767	12545	13233	13889	14607	16303	16956	17453	18056	18780	19486	
1023	1822	3409	3980	4557	5146	5685	6262	7019	8736	9367	9992	10898	11800	12546	13246	13891	14613	16304	16959	17456	18063	18796	19491	
1025	1836	3413	3989	4559	5147	5694	6267	7031	8738	9371	10012	10906	11801	12553	13249	13892	14616	16334	16960	17457	18072	18801	19498	

Payment of the redemption price of the Bonds specified above will be made on the redemption date at the redemption price of 100 percent of the principal amount thereof, (a) at the IBG Securities Processing Department of Citibank, N.A., the Principal Paying Agent under the Trust Deed referred to above, No. 111 Wall Street, in the Borough of Manhattan, The City of New York or (b) subject to any laws or regulations applicable thereto, at the main offices of Citibank, N.A. in Amsterdam, Frankfurt/Main, London, Paris, Brussels, and Citibank (Luxembourg) S.A. in Luxembourg, and the principal offices of Union Bank of Switzerland in Zurich, the National Bank of Greece and the Commercial Bank of Greece in Athens. Payments at the offices referred to in (b) above will be made by a United States dollar check drawn on a bank in New York City, or by a transfer to a United States dollar account maintained by the payee with a bank in New York City, on December 15, 1981. On and after the redemption date, interest on the said Bonds will cease to accrue, and, upon presentation and surrender of such Bonds with all coupons appertaining thereto maturing after the date fixed for redemption, payment will be made at the said redemption price out of funds to be deposited with the Principal Paying Agent. The amount of any missing unmatured coupons will be deducted from the sum due for payment.

Coupons due December 15, 1981 should be detached and presented for payment in the usual manner.

PUBLIC POWER CORPORATION
(Dimosia Epihirisis Elektrismou)

By CITIBANK, N.A.
as Principal Paying Agent

November 16, 1981

NOTICE

The following Bonds previously called for redemption have not as yet been presented for redemption.

BONDS CALLED DECEMBER 15, 1980

9615 13708

INSURANCE

Lloyd's storm likely over syndicates study

BY JOHN MOORE

A STUDY is being prepared on the comparative performance of Lloyd's underwriting syndicates for the last completed underwriting account of the insurance market, the 1978 underwriting year.

The publication, which will be available to the near 20,000 members of Lloyd's, is expected to cause another storm of controversy within the insurance market.

Preparation of the study does not have the official blessing of the Lloyd's establishment, which has generally denounced the preparation of such information. Mr Peter Green, Lloyd's chairman, commenting on a survey prepared on syndicates' performance in the 1977 underwriting year, said recently: "I consider that unless these tables have all the facts, including underwriting policy, they can be seriously misleading."

When Sir Henry Fisher studied Lloyd's self-regulation he noted in his report that many members of Lloyd's who gave evidence complained about the limited evidence which was available to a prospective member to enable him to decide which underwriting agency to join, and to compare the results of different syndicates "so that he can make a rational choice."

An underwriting agent at Lloyd's looks after a member's affairs and introduces him to a range of syndicates in whose underwriting he will participate.

No underwriting agent at Lloyd's has a contractual arrangement with every manager of a syndicate under which he might introduce members, so the amount of portfolio advice offered by an agent can often be limited. The choice of an agent at Lloyd's is as important as the choice of a syndicate because the selection of an agent who has access only to poor performing syndicates may produce a poor return for an underwriting member.

Moreover, there is a growing suspicion among large numbers of members that a disproportionately large share of agency administrative costs may be passed onto the syndicate. The demand for greater disclosure by the non-working members of the market is growing daily.

Lloyd's is preparing to embrace the Fisher proposals for limited disclosure to prospective members. These could become mandatory through the creation of a by-law, but are unlikely to satisfy the demands of the membership. More members of Lloyd's are seeking proper league tables on syndicate performance.

Those arguing against a league table on relative performance of Lloyd's syndicates say that joining Lloyd's is in no way similar to buying a share or a unit trust. They stress that no agent has access to all the syndicates on the list so it is pointless for a member to place him on syndicates in the top ten.

Even if that agent has a contractual arrangement it may be that that syndicate is not taking further members for that particular underwriting year because of an oversupply of capacity.

They say it is extremely dangerous for the underlying stability of the syndicate if capacity, in the form of the members, is constantly changing: and even if members wanted to leave a syndicate it would still require notification that the member intended to change his underwriting arrangements.

It has been accepted by those that oppose the wider disclosure of syndicate results in the form of league table that most agents do appear superficially to be attempting to hide bad performance and to keep their members on bad syndicates in ignorance.

Since this suspicion is shared by a growing number of the membership of Lloyd's, the pressure on the market to provide more information will continue.

Parliament this week

TODAY

Commons: Civil Aviation (Amendment) Bill, second reading. Nuclear Energy (Finance) Bill, second reading.

Select Committee: Treasury and Civil Service. Subject: The Government's economic policy. Witness: Sir Geoffrey Howe, Chancellor of the Exchequer. (Room 15, 5 pm).

TOMORROW

Commons: Shipbuilding Bill, second reading. Motion on the British Shipbuilders Borrowing Powers (Increase of Limit) Order. Motion on EEC document on protection of laying hens kept in battery cages.

Lords: Hops Marketing Bill, second reading. Debate on the report of the select committee on science and technology on hazardous waste disposal. Debate on the functions and accountability of internal drainage boards.

Select Committee: Parliamentary Commissioner for Administration. Subject: Reports of the Northern Ireland Commissioner. Witness: Mr T. H. Kernohan, Northern Ireland Parliamentary Commissioner for Administration (Room 5, 5 pm).

WEDNESDAY

Commons: Debate on Opposition motion on the Government's destructive policy towards higher education in Britain. Motion on the Redundancy Fund (Advances out of National Loans) Fund Order.

Lords: Debate on the need to reform local government and a more representative method of election. Debate on European Communities Committee's report on poultry meat hygiene.

Select Committees: Welsh Affairs. Subject: Scrutiny of Welsh Office departments. Witnesses: Welsh Office Education Department (Room 18, 10.30 am and 4.30 pm); Treasury and Civil Service Committee. Subject: Efficiency and effectiveness in the Civil Service. Witnesses: Sir Kenneth Stowe, Permanent Secretary, DHSS: Sir Kenneth Barnes, Permanent Secretary, Department of Employment; Sir Richard O'Brien, chairman, Manpower Services Commission (Room 15, 4.15 pm) — Social Services. Subject: The age of retirement. Witnesses: Department of Employment (Room 21, 4.30 pm).

THURSDAY

Commons: Debate on Opposition motion on the Scottish economy and industry.

Lords: Beverage Containers Bill, second reading. Debate on European Communities Committee's report on the outward processing of textiles and clothing.

Select Committee: Agriculture. Subject: Less favoured areas. Witnesses: Ministry of Agriculture (Room 16, 11 am).

FRIDAY

Commons: Debate on the report of the Royal Commission on criminal procedure.

WEEK'S FINANCIAL DIAR

The following is a record of the principal business and finan engagements during the week. The board meetings are mai for the purpose of considering dividends and official indications not always available whether dividends concerned are interims finals. The sub-divisions shown below are based mainly on year's timetable.

TODAY

BOARD MEETINGS—

Finals:
Australia and New Zealand Banking
Bolton Textile Mill

Interims:
Bromsgrove Casting and Machining
Ferguson Inds.
Geers Gross
Land Securities Inv. Tst.
Pawson (W. L.)
Tanks Cons. Inv.

DIVIDEND & INTEREST PAYMENTS—
Aberdeen 3pc Red. 1965-85 1½pc
Arbuthnot Dollar Inc. Tst. 4cts (2nd)
Banca Nacional De Mexico SA Fltg. Rate Cap. Notes 1987 $99.46
British Assets Tst. Db. 2pc
Copenhagen (City of) 6pc 20-yr. Ext. Ln. 1989 3pc
Dufay Bitumastic 3⅞pc
Ferry Pickering 1.6p
Friedland Doggart Grp. 1.95p
Hepworth Ceramic 2.25p
Howden (Alexander) Grp. 4p
Industrial and Gen. Tst. Db. 1¾pc
Liberty Ord. and NV Ord. 0.4p
London and Manchester Assce. 3.82p
Manders 1.4p
Moss Bros. 0.7p
Ransomes Sims and Jefferies 3.14p
Scottish American Inv. Db. 1¾pc
Scottish Eastern Inv. Tst. 1¾pc
Sperry Corp. 48cts
Staffordshire Potteries Water Board 11½pc Red. 1981 5¾pc
Warner Communications 17cts

TOMORROW

COMPANY MEETINGS—
Home Farm Products, 58-64 Campo Lane, Sheffield, 12.00

BOARD MEETINGS—
Final:
Higsons Brewery

Interims:
Acrow
GEI Int.
HAT
LCP
Somic
Tesco Stores
Unilever
Unilever NV
Whitbread Inv.
Young and Co's Brewery

DIVIDEND & INTEREST PAYMENTS—
Bentalls 0.3p
Branon 1p
Commercial Union Ass. 4.85p
Home Farm Products 1.75p
Kleinwort Benson Lonsdale 3p
Laing (John) Ord. and A Ord. 1p
Treasury 9pc 1994 4½pc
Treasury Variable Rate 1981 £6.59
Western Mining Corp. 7cts

WEDNESDAY NOVEMBER 18

COMPANY MEETINGS—
Holt Lloyd Int., Lloyd House, Alderley Road, Wilmslow, Cheshire, 3.00
Sanderson Murray and Elder, Victoria Hotel, Bridge Street, Bradford, 3.00
Throgmorton Secured Growth Tst., Winchester House, 100, Old Broad Street EC, 12.30
Trafford Park Est., Midland Hotel, Peter Street, Manchester, 12.00

BOARD MEETINGS—
Finals:
Barton Transport
Equity Income Tst.
General Stockholders Inv. Tst.
Wade Potteries

Interims:
Beecham
Brown Shipley
Chamberlin and Hill
Flight Refuelling
London Tst.
Smith (W. H.)
United Electronic
Warnford Inv.

DIVIDEND & INTEREST PAYMENTS—
Agricultural Mortgage Corp. Variable Bds. 12/11/82 £6.7500
Banco Pinto and Sotto Mayor Fltg. Rate Notes 1985 $499.93
Co-operative Bank Fltg. Rate Cap. Notes 1986 $99.99
First Castle Electronic 0.868p
Leumi Int. Inv. NV Gtd. Fltg. Rate Notes 1986 $99.99
Link House Publications 6.8p
Maclellan (P. and W.) 0.5p
Midland Bank Fltg. Rate Cap. Notes 1982 9.7813pc
Osterreichische Kontrollbank AG. Gtd. Fltg. Rate Notes 1986 $496.74

THURSDAY NOVEMBER 19

COMPANY MEETINGS—
Courtney, Pope (Hldgs.), Versatile Pl Ltd., Bicester Road, Aylesbury, Bu 11.00
Galliford Brindley, Post House, 12.30
Ramar Textiles, Hyde Park Hotel, Kni bridge, SW, 12.00

BOARD MEETINGS—
Finals:
Akroyd and Smithers
Duple Int.
Gleeson (M. J.) (Contractors)
North American Tst.
Stockholders Inv. Tst.

Interims:
Allied Leather Inds.
Black Arrow
Boots
Braby Leslie
Brunning
Davis (Godfrey)
Elliot (B.)
Locker (Thomas)
Porter Chadburn
Powell Duffryn
Pyramid (Publishers)
Renold
Roan Cons. Mines
Siglo

DIVIDEND & INTEREST PAYMEN
Boot (Henry) and Sons 3p
Courtney, Pope (Hldgs.) 1.85p
Greenbank Industrial 0.6p
Lincroft Kilgour Grp. Ln. £3.80pc
Minet Hldgs. 3.01p
Prudential Corp. 4.3p
Rustenburg Platinum Do. 32.5cts
Stag Furniture 1.75p
Throgmorton Secured Growth Tst. 1.8
Trafford Park Est. 4.3p
Treasury 3pc 1986 £2.1370
Treasury 10½pc 1999 5¼pc
Turner and Newall 3p

FRIDAY NOVEMBER 20

COMPANY MEETINGS—
AB Electronic Products Grp., Park I Cardiff, 11.30
Finance and Ind. Tst., Winchester H 77, London Wall, EC, 12.00
Kent (M.P.), Northcliff House, Cl Avenue, Bristol, 12.00
Lyles (S.), Wakefield Post House Queens Drive, Ossett, 11.45
Martin (R.P.), The Great Eastern, EC, 2.30
Pullman (R. and J.), 13, Mare Road, NW, 12.00

BOARD MEETINGS—
Interims:
Nova (Jersey) Knit
Security Centres

DIVIDEND & INTEREST PAYMEN
Adwest Grp. 5.4p
Anchor Chemical Grp. 1p
Arncliffe Hldgs. 1.12p
BBL Int. NV Fltg. Rate Notes $467.99
Birmingham Drop-Lock 1986-93 £1.
Britannia Arrow 0.7p
Brooks Watson Grp. Ir£0.35
Caterpillar Tractor 60cts
Christies Int. 2p
Combined Int. 45cts
Dares Estates 0.5p
Exchequer 12pc 1998 6pc
GT Asia (Sterling) Fund 50p
Galliford Brindley 3.875p
Hiltons Footwear 1.3p
Jersey Elect. A 4p
Laing Prop. 1.75p
Linford Hldgs. 6.5p
Lloydstrust Gilt Fund Ptg. Red. Pf. 3
Meat Trade Suppliers 4.375p
Metpac 1p
Minty 2.5p
Rosehaugh 2.1p
Rowan and Bowen 0.5p
Security Pacific 55cts
Tesoro Pet. 10cts

SATURDAY NOVEMBER 21

DIVIDEND & INTEREST PAYMEN
Agricultural Mortgage 5pcDb. Stk. 1983 2½pc
Corp. of London 7½pc Stk. 1979-81
Martin (R.P.) 5.5p
Treasury 3pc 1985 1½pc
Treasury 12½pc 2003-05 6¼pc

SUNDAY NOVEMBER 22

DIVIDEND & INTEREST PAYMEN
Exchequer 13¼pc 1983 6⅝pc. Do. 1984 7pc. Do. 12¼pc 1985 6⅛
Treasury 14pc 1998-2001 7pc

GENERAL MINING UNION CORPORATION LIMITED
(Incorporated in the Republic of South Africa)
("GENCOR")

THE GRIQUALAND EXPLORATION AND FINANCE CO. LTD.
(Incorporated in the Republic of South Africa)
("GEFCO")

ASBESTOS INTERESTS

THE PROPOSALS

The boards of Directors of GENCOR and GEFCO announce that agreement has been reached on proposals which when implemented will result in GEFCO acquiring the asbestos interests and a shareholders loan account of approximately R13.7 million from Transvaal Consolidated Land and Exploration Company Limited (T.C.L.). In exchange T.C.L. will receive from GENCOR a portfolio of listed shares to the value of R30 million and approximately R13.7 million in cash. GEFCO will issue 15 million GEFCO ordinary shares to GENCOR and pay R13.7 million in cash for the asbestos interests. The cash commitment of R13.7 million will be financed by a rights offer to GEFCO shareholders, details of which are set out below.

The new GEFCO ordinary shares to be allotted and issued in terms of the above proposals will rank pari passu on allotment with the existing ordinary shares issued by GEFCO.

The shares to be issued in terms of the above proposals will not participate in any dividend that may be declared by GEFCO in respect of GEFCO's financial year ending 31 December 1981.

RATIONALE FOR THE PROPOSALS

The amalgamation of the asbestos interests of GEFCO and T.C.L. will enable GEFCO to rationalise operations.

The main areas in which concomitant cost benefits are expected are the integration of
— Exploration activities;
— Mining production between GEFCO and T.C.L.'s Blue Asbestos Mines and
— Sales activities

RIGHTS OFFER OF ORDINARY SHARES BY GEFCO

GEFCO shareholders will be offered rights to subscribe for new ordinary shares in GEFCO at an issue price of 200 cents per share in the proportion of 75 ordinary shares of 5 cents each for every 100 ordinary shares held. The amount of R17.9 million thus raised, will primarily be used to finance the cash commitment of R13.7 million and the balance to supplement GEFCO's working capital. The rights offer is anticipated to be made during January 1982.

Documents which are subject to approval by the Johannesburg Stock Exchange and The Stock Exchange, London containing full details of the proposals and GEFCO's rights offer and notices of meetings of shareholders to obtain the necessary approvals are in the course of preparation and will be sent to the shareholders concerned as soon as possible.

JOHANNESBURG, 13 November 1981.

This advertisement complies with the requirements of the Council of The Stock Exchange.

RoyNat INC.

(Incorporated under the laws of Canada)

Can. $40,000,000

17¼ % Secured Notes Series AO 1986

The following have agreed to subscribe or procure subscribers for the Notes:

Wood Gundy Limited
Orion Royal Bank Limited
Continental Illinois Limited
Credit Suisse First Boston Limited
Kredietbank International Group
Union Bank of Switzerland (Securities) Limited

The Secured Notes, issued at 100 per cent, have been admitted to the Official List by the Council of The Stock Exchange subject only to the issue of the temporary global note.

Interest is payable annually on December 15, the first payment being made on December 15, 1982.

Particulars of the Secured Notes are available in the Extel Statistical Service and copies may be obtained during usual business hours up to and including November 30, 1981 from:

Wood Gundy Limited
30 Finsbury Square
London EC2A 1SB

R. Nivison & Co.
25 Austin Friars
London EC2N 2JB

Orion Royal Bank Limited
1 London Wall
London EC2Y 5JX

November 16, 1981

GENERAL MINING UNION CORPORATION LIMITED
(Incorporated in the Republic of South Africa)
("GENCOR")

TRANSVAAL CONSOLIDATED LAND AND EXPLORATION CO. LTD.
(Incorporated in the Republic of South Africa)
("T.C.L.")

ASBESTOS INTERESTS

Following an offer made by GENCOR on 29th September 1981, the boards of directors of GENCOR and TCL announce that agreement has been reached whereby GENCOR will acquire the asbestos interests of TCL. In exchange for its asbestos interests TCL will acquire from GENCOR a portfolio of listed investments having a value of approximately R30 million. In addition GENCOR will arrange to settle a loan of some R13.7 million due to TCL from an asbestos subsidiary company. The transaction will have no immediate effect on the net asset value of TCL. Details of the transaction will be given to shareholders of TCL in due course.

JOHANNESBURG, 13 November, 1981.

كلمات اعلان

FINANCIAL TIMES

Eurobond Quotations and Yields

The Association of International Bond Dealers

at 31st October 1981

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established in 1969)
over 550 institutions
t 30 countries.

Eurobonds in October

BY OUR EUROMARKETS STAFF

THE EURODOLLAR bond market started October in a fairly buoyant mood. The slowing of the U.S. economy and the rise in the unemployment figures augured well for lower short-term interest rates and the market was hit by a mini-flood of new fixed-rate issues.

Although the wide variety of new issues provoked a certain selective response from investors, most of the offerings were fully digested.

The mood in all the sectors of the Eurobond market was dominated by signs from New York that interest rates might at last be on the way down. Optimism spread throughout the markets and in Germany a calendar of new issues worth DM 750m—the highest for over a year—was set by the Capital markets sub-committee. Meanwhile in Switzerland, private placements made a return after an absence of nearly four weeks.

These high spirits were fuelled by a dip in the Federal funds rate, which at one stage was as low as 12¼ per cent, and a slide in the six month Eurodollar rate from 18 per cent at the beginning of the month to 16 per cent by the end. Economists were forecasting a continuing drop in rates until the end of the year. The cause of this stemmed from the efforts of the Federal Reserve to keep M1B — the narrower range of the money supply—to a ten per cent growth rate.

Caution returned, however, when Mr Henry Kaufman, chief economist at Salomon Bros and one of the most influential of the bond market gurus, refused to change his negative outlook. Mr Kaufman insisted the downward trend would be short-lived.

The expected rally in Eurodollar bond prices was killed before it got off the ground. As a heavy flow of new issues hit the market investors' attention was diverted from the secondary market. Also, a sizeable U.S. Treasury financing looming large on the horizon helped to dampen spirits. Yet the month ended on a high note when the Federal Reserve cut the discount rate from 14 to 13 per cent, the first change in the rate since May.

Among the most popular of new dollar issues was a three year bond for GMAC through Morgan Stanley paying interest at 16½ per cent which was doubled from its original amount of $150m.

Credit Commercial de France, meanwhile, introduced a successful new technique to the market for the Municipal Finance Authority of British Colombia. The final maturity is 16 years but the borrower has the option, every four years, to change the interest rate. The investor meanwhile can accept the new coupon or redeem his bonds at par. The method was used again for the French borrower, Caisse Francaise des Matieres Premieres and later for the Swedish Export Credit Corporation.

October was the first month for some considerable time when no convertible Eurobonds reached the Eurodollar sector. The uncertainty of world stock market trends meant that only one borrower—Wal-Mart Stores of the U.S.—attempted an issue. The issue was postponed after poor demand.

The decline in U.S. interest rates precipitated a one point cut in the Bundesbank's special Lombard rate from 12 to 11 per cent. In the foreign exchange markets the D-mark strengthened substantially against the dollar. D-mark foreign bond prices therefore showed considerable improvements and early in the month a calendar of DM 650m worth of new issues was set—and accomplished—and was followed two weeks later by a schedule of a further DM 750m for the four weeks to November 20. By mid-month, however, uncertainty over interest rates and a declining D-mark led to a decline in prices. A domestic issue for the state railway company, Bundesbahn, which was priced toward the end of the month to yield 10.21, was a sign that domestic rates were heading upwards, though since then yields have moved lower again.

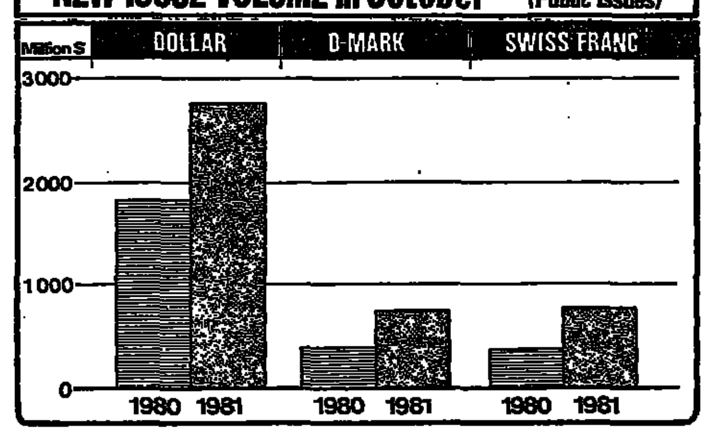
By the end of the month, fears that the Government would increase borrowing to finance a deficit of DM 7bn in the 1982 federal budget brought downward pressure on foreign bond prices.

The Swiss franc market was boosted by the strength of the currency against the dollar. Increasing interest from foreign investors was noted and this helped the private placement sector which had been inactive for the four weeks up to the middle of October. Short-term interest rates came down from around 11½ to 10½ per cent over the month.

A new study by Salomon Brothers reveals that the share of the dollar in world bond markets fell by more than 10 per cent between the end of 1975 and the end of 1980. Dollar bond issues, including domestic bonds, Eurobonds and international bonds accounted for around 50 per cent of all outstanding bonds in the world's eight largest capital markets. A large part of the fall, however, is due to exchange rate movements. If the dollar had maintained its 1975 levels its share of the market would have been 57 per cent.

The chairman of the AIBD, Mr Rupert Hambro, and seven other members of the board will resign at the end of their three-year term which expires next May. The new chairman and board members will be elected at the AGM in Venice in May.

NEW ISSUE VOLUME in October (Public Issues)



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The table of quotations and yields gives the latest rates available on October 31, 1981. This information is from reports from official and other sources which the Association of International Bond Dealers considers to be reliable, but adequate means of checking its accuracy are not available and the Association does not guarantee that the information it contains is accurate or complete.

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Uncommon Capability

Issued (est. o/s (mns))	Year of issue/ Issue price	Borrower/ Coupon Maturity	Price	Yield to maturity/ to avge. life	Current yield
		US DOLLARS-ALGERIA			
25	1977 100.00	BQUE EXT D'ALGERIE 9.00 15/ 8/1982	90	24.30	10.00
		US DOLLARS-ARGENTINA			
50	1979 98.50	ARGENTINE REPUBLIC 9.875 1/ 5/1984	82	16.75	12.04
		US DOLLARS-AUSTRALIA			
30 2.5	1963 97.50	AUSTRALIA,COMMONWEALTH 5.00 1/ 4/1983 S	86	17.12 23.98	5.90
30 1.7	1962 97.50	AUSTRALIA,COMMONWEALTH 5.50 1/ 7/1982 S	90 3/4	22.07 32.79	6.15
25 1.4	1962 99.00	AUSTRALIA,COMMONWEALTH 5.50 1/10/1982 S	89	19.99 25.60	6.18
25 5.6	1965 98.50	AUSTRALIA,COMMONWEALTH 5.50 1/ 5/1985 S	84	11.45 15.61	6.65
25 7.0	1969 99.75	AUSTRALIA,COMMONWEALTH 5.75 1/11/1985 S	83 1/2	11.25 16.25	7.00
25 6.2	1967 97.50	AUSTRALIA,COMMONWEALTH 6.50 15/ 6/1982	92 1/4	20.70	7.05
100	1977 100.00	AUSTRALIA,COMMONWEALTH 7.50 1/ 9/1984	84 1/8	14.71	8.92
350	1978 100.00	AUSTRALIA,COMMONWEALTH 8.00 1/ 4/1982	96 3/8	17.27	8.30
125	1976 99.88	AUSTRALIA,COMMONWEALTH 8.125 15/11/1983 S	87 7/8	15.88	9.46
150	1976 100.00	AUSTRALIA,COMMONWEALTH 8.25 1/10/1983	90 1/4	14.39	9.14
125	1977 100.00	AUSTRALIA,COMMONWEALTH 8.25 1/12/1984 S	83 1/4	15.83	10.16
150 150.0	1977 100.00	AUSTRALIA,COMMONWEALTH 8.25 1/ 9/1992	67 1/4	14.38 16.64	12.27
175	1978 100.00	AUSTRALIA,COMMONWEALTH 8.45 1/ 6/1983 S	91	15.58	9.30
120	1976 100.00	AUSTRALIA,COMMONWEALTH 8.50 1/10/1986	79 3/4	14.55	10.66
50	1975 100.00	AUSTRALIA,COMMONWEALTH 8.75 15/ 6/1983 S	92 1/4	15.56	9.82
50	1976 99.63	AUSTRALIA,COMMONWEALTH 8.75 1/ 6/1986 S	80 7/8	15.14	11.11
60 60.0	1976 99.50	AUSTRALIA,COMMONWEALTH 8.75 1/10/1991	75 1/2	13.34 15.37	11.59
100 100.0	1977 96.88	AUSTRALIA,COMMONWEALTH 8.875 1/12/1997 S	65 1/2	14.97 16.89	14.01
75 75.0	1976 99.50	AUSTRALIA,COMMONWEALTH 9.00 15/11/1996 S	66 3/4	15.01 17.34	13.54
75 75.0	1978 99.63	AUSTRALIA,COMMONWEALTH 9.125 1/ 6/1993 S	69 3/4	15.15 16.81	13.51
75 67.5	1976 98.50	AUSTRALIA,COMMONWEALTH 9.125 1/ 6/1996 S	66 1/8	15.42 17.28	14.38
25 13.5	1975 99.00	PAPUA NEW GUINEA,GOVT OF 9.50 15/ 3/1983	91 3/4	16.54 17.85	10.35
25	1977 100.50	ALCAN AUSTRALIA 8.50 15/ 4/1989	71 1/2	15.09	11.89
60	1979 100.00	ALCOA OF AUSTRALIA 10.00 15/ 6/1989	80 3/4	14.27	12.38
60	1980 100.00	ALCOA OF AUSTRALIA 12.00 15/ 1/1988	81 1/2	17.02	14.72
50	1981* 92.00	ALCOA OF AUSTRALIA 13.50 15/ 4/1991	86 5/8	16.31	15.58
25 6.3	1974 100.00	AUSTRALIAN IND DEV CORP 10.25 1/12/1981	99 1/4	18.92	10.33
40 36.4	1977 100.00	AUSTRALIAN MIN & SMELT'G 9.25 15/ 6/1992	69 1/8	15.27 16.49	13.38
30 22.8	1975 100.00	AUSTRALIAN RESOURCES 9.50 1/ 3/1983	91 1/4	17.23 17.60	10.41
30	1979 99.50	AUSTRALIAN RESOURCES 9.625 1/ 8/1984	85 7/8	16.33	11.21
30	1980 99.50	AUSTRALIAN RESOURCES 12.00 1/11/1983	93 5/8	15.96	12.82
80	1981* 95.75	AUSTRALIAN RESOURCES 13.00 27/ 3/1986	89	16.63	14.61
30	1977 99.50	BROKEN HILL PROPS 8.00 1/ 4/1985	79 1/4	16.33	10.09
30 30.0	1977 99.00	BROKEN HILL PROPS 8.25 1/ 4/1989	73 1/4	14.30 15.44	11.26
20 14.7	1975 98.50	BROKEN HILL PROPS 10.00 1/ 5/1990	72 1/2	16.12 17.73	13.79
20 11.0	1970 98.50	COMALCO INV EUROPE 9.50 1/11/1985	84 1/2	14.92 18.85	11.24
25 16.5	1975 100.00	COMALCO LTD 10.00 1/ 4/1987	77 1/2	16.55 18.31	12.90
40 40.0	1979 100.00	COMALCO INV EUROPE 10.25 15/ 7/1991	72 1/2	15.98 17.40	14.14
40 32.8	1976 100.00	HAMERSLEY HOLDINGS 8.50 1/ 1/1984	85 7/8	16.73 17.42	9.90
40 37.0	1976 100.00	HAMERSLEY HOLDINGS 9.50 1/ 1/1992	69 3/4	15.60 16.98	13.62
25 18.0	1972 100.00	HAMERSLEY IRON FIN 8.00 15/11/1987	72 1/2	15.28 19.48	11.03
20 10.5	1971 99.50	HAMERSLEY IRON FIN 9.00 1/ 5/1986	81 1/2	14.88 16.04	11.04
20 8.0	1970 97.00	HAMERSLEY IRON FIN 9.50 1/ 9/1985	85 1/2	14.68 17.10	11.11
35 25.2	1975 100.00	HAMERSLEY IRON FIN 10.00 1/ 6/1982	94 5/8	20.18	10.57
23 19.9	1972 99.75	K MART(AUST)PROPERTY 802 7.75 15/ 9/1984	79 1/2	17.37 17.57	9.75
36 33.7	1976 99.50	K MART(AUST)FIN 802 9.00 1/10/1986	76 1/2	14.27 16.85	11.76
25 14.5	1971 100.00	MOUNT ISA FIN 8.75 15/11/1986	78 1/2	15.14 18.72	11.15
20 19.0	1977 100.00	TNT OVERSEAS FIN 9.00 15/ 8/1987	74 1/2	16.05 16.24	12.08
50 43.7	1977 100.00	WESTERN MINING CORP 9.00 15/10/1992	69 1/8	14.87 15.72	13.02
15 10.5	1974 99.00	WESTERN MINING CORP 9.75 1/ 5/1982	95 5/8	19.20	10.20

ISSUE PRICE	BORROWER/ COUPON MATURITY	PRICE	YIELD TO MATURITY/AVG. LIFE TO AVGE LIFE	CURRENT YIELD
	US DOLLARS-SWEDEN (CONTINUED)			
'76 .50	SODRA SKOGSAGARNA 9.50 15/12/1986	76 1/8	16.78 22.07	12.48
'78 .50	SPARBANKERNAS BANK 8.75 1/ 9/1983	90 3/8	15.08 17.27	9.68
'77 .00	SPARBANKERNAS BANK 8.75 15/ 1/1988	76	14.92 19.25	11.51
'77 .50	[illegible] 7.75 1/ 2/1982	96 7/8	21.07	8.00
'77 .00	STOCKHOLM, CITY OF 8.875 15/ 2/1992 S	87 1/2	13.79 14.98	13.58
'79 .00	STOCKHOLM, CITY OF 9.75 15/ 3/1994 S	69 1/8	15.93 17.64	14.35
'76 .00	SVENSKA HANDELSBANKEN 9.25 1/ 3/1986	80 1/2	15.74 18.91	11.49
'81* .00	SVENSKA HANDELSBANKEN 13.75 15/ 4/1988	86	17.46	15.99
'76 .00	SWEDISH EXPORT CREDIT 7.875 15/10/1983 F S	93	12.35 15.07	8.65
'75 .00	SWEDISH EXPORT CREDIT 9.00 15/ 4/1982	95 1/8	20.45	9.46
'79 .00	SWEDISH EXPORT CREDIT 9.50 15/ 4/1986 F S	83	15.78 19.06	11.82
'80 .75	SWEDISH EXPORT CREDIT 12.00 1/10/1985	92 3/4	16.67	12.94
'80 .50	SWEDISH EXPORT CREDIT 12.50 1/ 3/1985	89 3/4	16.49	13.93
'81* .00	SWEDISH EXPORT CREDIT 13.00 15/ 1/1986	87 3/8	17.32	14.84
'81* .50	SWEDISH EXPORT CREDIT 13.75 1/ 6/1986	95 5/8	17.10	16.47
'73 .00	SWEDISH INVESTMENT BANK 7.50 15/ 1/1988	72	14.65 19.20	10.42
'72 .00	SWEDISH INVESTMENT BANK 7.75 1/11/1987	73 1/2	14.69 19.43	10.54
'76 .00	SYDKRAFT 9.25 15/ 9/1986	74 1/2	17.40 21.08	12.42
'76 .00	UDDEVALLAVARVET 7.75 1/12/1983 F S	88 3/8	14.98 20.25	8.96
'77 .00	UDDEVALLAVARVET 7.75 15/ 9/1984 F	81	16.55 17.99	9.57
'72 .50	VOLVO 8.00 1/ 9/1987	69	16.69 20.52	11.59
'77 .00	VOLVO 8.00 1/ 3/1987	67 3/8	17.96	11.87
'75 .50	VOLVO 9.50 1/ 3/1985	81 1/2	17.16	11.66
	US DOLLARS-SWITZERLAND			
'77 .00	FIAT FIN CORP 8.00 1/ 8/1982	93 7/8	17.18	8.52
'72 .50	SWISS ALUMINIUM AUST LTD 8.00 1/ 7/1987	79 3/4	13.28 16.72	10.03
	US DOLLARS-VENEZUELA			
1977 99.89	VENEZUELA, REPUBLIC OF 7.875 15/ 6/1982 S	95 5/8	16.52	8.43
1977 99.50	VENEZUELA, REPUBLIC OF 8.00 15/ 2/1984	80 1/8	19.47	9.98
1977 99.75	VENEZUELA, REPUBLIC OF 8.125 15/10/1984 S	82 3/8	16.43	10.11
1977 99.50	VENEZUELA, REPUBLIC OF 8.75 15/10/1992 S	63 7/8	16.40 19.44	14.17
1981* 00.00	VENEZUELA, REPUBLIC OF 15.625 1/ 5/1986 S	99 3/4	16.32	16.28
1972 00.00	VENEZUELA TEL 8.25 15/12/1987 S	74 1/2	15.24 18.15	11.38
	US DOLLARS-UTD KINGDOM			
1976 00.00	UNITED KINGDOM 8.50 1/ 5/1985 S	82 1/8	15.86	10.82
1978 99.00	UNITED KINGDOM 8.875 1/ 5/1993 S	68 7/8	15.85 16.85	13.30

AMOUNT OUT. AND (MIN)	YEAR OF ISSUE/ ISSUE PRICE	BORROWER/ COUPON MATURITY	PRICE	YIELD TO MATURITY/AVG. LIFE
		US DOLLARS-UTD KINGDOM (CONTINUED)		
30 26.0	1972 100.00	CADBURY SCHWEPPES O/S 7.75 15/10/1990	61 1/2	16.17 19.36
25 11.2	1973 98.50	CAPITAL & COUNTIES PROP 9.00 1/11/1988	76	16.72 19.04
50 47.0	1977 99.50	CARNHAM INTL BV 9.50 15/12/1987	72 3/4	16.97 20.88
30 14.1	1971 100.00	COMMERCIAL UNION 8.50 15/12/1986	75 1/8	15.94 20.19
20 2.1	1970 100.00	COURTAULDS INT FIN 9.00 1/ 2/1982 S	96 5/8	24.59
20 8.5	1970 98.00	COURTAULDS INT FIN 9.25 1/10/1985	83	15.32 17.26
25 9.0	1973 100.00	DUNDEE, CITY OF 9.25 15/10/1983	89	16.23 18.29
15 3.0	1967 98.50	EMI 6.75 15/11/1982	86 3/4	21.34 38.60
50 50.0	1977 100.00	EMI FINANCE BV 9.25 15/ 4/1989	68	17.12 18.77
30 30.0	1981* 98.75	FINANCE FOR INDUSTRY INT 14.00 1/ 4/1986	92	16.61 17.17
20 14.0	1972 100.50	FISONS 8.25 1/ 7/1987	70 1/4	16.73 20.95
20 20.0	1977 100.00	FISONS INT FIN 8.75 1/ 8/1992	65 1/8	15.62 17.33
25 13.9	1971 100.00	G.U.S. INTERNATIONAL 8.50 1/ 3/1986	74 1/2	17.28 23.12
15 11.5	1974 100.00	G.U.S. INTERNATIONAL 9.50 5/ 4/1989	74 1/2	15.47 18.48
25 18.0	1975 100.00	GOLD FIELDS (BERMUDA) 10.25 15/ 7/1985	87 1/2	14.82 15.71
25 10.0	1972 98.50	GRAND METROPOLITAN HOTEL 7.50 15/12/1987	74	14.10 18.49
15 6.6	1970 100.00	GRAND METROPOLITAN HOTEL 9.25 1/ 1/1986	88 1/8	13.10 15.76
30 20.4	1972 98.75	GUARDIAN ROYAL EXCHANGE 8.00 1/ 7/1987	73	15.45 17.66
25 19.0	1972 100.50	HAMBROS 7.75 1/10/1987	67 1/2	16.83 19.53
24 12.0	1970 100.00	HAMBROS 9.50 15/12/1985	88 3/4	13.19 15.02
20 12.5	1971 100.00	HILL SAMUEL GROUP 8.50 15/11/1986	74 1/2	16.29 22.33
30 6.0	1967 99.50	ICI LTD 6.50 15/ 3/1982	94 1/2	22.96
50 37.0	1972 100.00	ICI INT FIN 7.50 1/ 2/1992	70 7/8	12.73 17.42
100 100.0	1977 100.00	ICI INT FIN 8.25 1/ 1/1987	76 1/2	15.09 17.22
100	1980 100.00	ICI FIN NETHERLANDS 11.00 1/ 6/1983	93 1/4	16.00
25 21.0	1972 100.00	KLEINWORT BENSON 8.25 15/ 3/1987	73 1/4	15.80 19.72
30 22.4	1973 100.00	LEGAL & GENERAL ASSCE 7.625 1/ 2/1988	71 1/8	15.04 18.75
40	1980 100.00	LONRHO INT FIN 12.00 15/ 7/1988	79 1/4	17.43
25 21.3	1973 100.25	MEPC ESTATES & PROP 8.00 1/ 2/1991	64 5/8	15.39 18.86
15 8.4	1971 100.00	MEPC ESTATES & PROP 8.75 1/12/1986	82 5/8	13.70 16.88
75 65.0	1976 99.00	MIDLAND INTL FIN SERVICE 8.75 1/12/1986	83 5/8	13.38 16.59
75 75.0	1977 100.50	MIDLAND INTL FIN SERVICE 8.75 1/ 9/1992	67 1/8	15.07 16.96
30 20.4	1972 100.50	NATIONAL & GRINDLAYS BK 7.75 15/11/1987	68	16.51 20.64
100 85.0	1977 99.00	NATIONAL COAL BOARD 8.00 1/ 9/1987	74	14.97 15.97
50 39.0	1973 99.00	NATIONAL COAL BOARD 8.625 15/10/1988	75 7/8	14.32 17.05
50 36.0	1976 100.00	NATIONAL WESTMINSTER BK 9.00 1/ 7/1986	86	13.16 15.64

US DOLLARS—FLOATING RATE (CONTINUED)

Issued (Est. O/S)	Year of issue / Issue price	Borrower / Coupon / Maturity	Price	Yield to maturity / to ave. life	Current yield
25	1976 100.00	POPULAR ESP INT 7.25:1/4 18.188 30/11/1981 S	99 3/4		18.23
20	1979 100.00	PIGA 7:1/2 19.688 8/ 2/1986 S	99 1/4		19.84
25 22.5	1977 99.00	PRIVREDNA BANKA 8:1-1/4 19.125 6/ 1/1985 S	97		19.72
30 30.0	1978 100.00	PRIVREDNA BANKA 8:7/8 18.25 22/12/1986 S	91		20.05
30	1976 100.00	ROYAL BANK-SCOT 7.75:1/4 19.563 6/ 5/1983 S	101 1/8		19.34
75	1979 100.00	ROY SCT E86(Z) #5.25:1/4 15.938 11/ 7/1994 Q	99 3/8		16.00
30	1981* 100.00	SANWA INT FIN 5.25:1/8 17.25 24/ 9/1988 S	99 3/8		17.36
30 41.0	1973 100.00	S.P.T.E. 8:3/4 17.50 3/ 4/1983 S	100 3/8		17.43
30 25.0	1974 100.00	S.P.T.E. 8:3/4 18.25 7/ 6/1984 S	99 7/8		18.27
50 48.0	1980 100.00	S.P.T.E. 6.5:1/4 18.375 15/ 3/1986 S	99 1/8		18.54
50 48.0	1980 100.00	S.P.T.E. 6.5:1/4 17.75 [illegible]/ 7/1990 S	97		18.30
20	1979 100.00	SOC CENT DE BQUE 6.5:1/4 18.688 3/10/1987 S	99 3/4		18.73
60	1977 100.00	SOCIETE GENERALE * 3/8 18.375 1/10/1984 S	100 7/8		18.22
30	1979 100.00	SOCIETE GEN * 5.25:1/4 16.063 12/ 7/1991 Q	99		16.22
100	1981* 100.00	SOCGEN E85/88 5.25:1/8 18.625 22/ 7/1991 S	99 1/4		18.77
20	1979 100.00	SOCGEN E91 * 5.75:1/4 18.438 13/ 7/1989 S	99 1/8		18.60
25	1980* 100.00	SPAREBANKEN 6:1/4 16.813 19/12/1987 S	99		16.98
50	1977 100.00	STANDARD CHART 6.25:1/4 18.188 31/ 5/1984 S	100 1/8		18.16
100	1978 100.00	STANDARD CHART 5.5:1/4 19.00 10/ 8/1990 S	100 3/8		18.93
75	1980 100.00	STANDARD CHART 5.25:1/4 19.063 6/ 3/1990 S	100 3/8		18.99
30	1980 100.00	STATE BK INDIA 6.75:1/4 18.25 29/ 5/1987 S	98 7/8		18.46
30	1981* 100.00	SUMITOMO FIN 5.5:1/8 19.563 6/ 8/1988 S	100 1/4		19.51
30	1979 100.00	SUMITOMO HEAVY 5.5:1/4 18.813 13/ 9/1984 Q	100 3/8		18.74
20	1978 100.00	SUNDSVALLSBANKEN 6:1/4 17.00 4/10/1985 S	99 3/4		17.04
35	1980 100.00	SVENSKA HANDELSBK 5:1/4 18.125 13/ 7/1987 S	100		18.13
150	1979 100.00	SWEDEN,KINGDOM OF * 1/4 16.50 18/10/1991 Q	98 5/8		16.73
85	1981* 100.00	TANSA 9.5:3/4 19.688 27/ 7/1989 S	97 1/2		20.19
35	1979 100.00	TEXAS INT AIR CAP 7:3/4 17.063 11/ 4/1986 Q	89 5/8		19.93
25	1979 100.00	THAI FARMER INT 7.25:1/4 18.00 21/ 6/1984 S	99 1/8		18.16
30	1979 100.00	THAILAND,KINGDOM 7:1/4 18.188 15/ 3/1984 S	99 5/8		18.26
40	1979 100.00	TRADE DEV FIN SERV 6:1/4 19.125 21/ 8/1986 S	100		19.13
30	1979 100.00	TWO POWER (D-LOCK) 9:1/4 18.25 24/ 3/1991 S	96 3/4		18.86
25	1977 100.00	U.B.A.F. 7.25:1/4 17.75 7/12/1982 S	99 7/8		17.77
25	1977 100.00	U.B.A.F. 6.75:1/4 17.938 23/ 3/1982 S	100		17.94
65	1979 100.00	U.B.A.F. 5.5:1/4 18.063 9/ 1/1990 S	98 3/8		18.31
30	1977 100.00	UNION BK-FINLAND 6.5:1/4 16.813 20/ 4/1982 S	100		16.81
20	1980* 100.00	UNION BANK NORWAY 6:1/4 18.125 8/ 1/1989 S	98 7/8		18.33
25	1976 100.00	UNITED OVERSEAS BK 7:1/4 18.188 24/11/1981 S	100		18.19
25	1978 100.00	UNITED OVERSEAS BK 6:1/4 19.563 4/ 5/1983 S	100 1/8		19.54
25	1979 100.00	UNITED OVERSEAS BK 6:1/4 18.375 29/ 3/1989 Q	99 1/2		18.47
25	1976 100.00	URQUIJO INTL 7.25:1/4 18.063 21/12/1981 S	99 3/4		18.11
30	1979 100.00	URQUIJO INTL 6:1/4 17.75 21/ 3/1986 S	99 7/8		17.77
75	1981* 100.00	VIKRO E91 8.0:3/8 19.00 21/ 7/1988 S	96 1/2		19.69
25	1980* 100.00	JIM WALTER INT 6:1/2 18.375 15/ 1/1988 S	98 1/8		18.73
40	1977 100.00	WILLIAMS & GLYNS 6.5:1/4 19.50 28/ 2/1984 S	101 3/8		19.24
75	1979 100.00	WILLIAMS & GLYN 5.25:1/4 18.375 14/ 9/1991 S	100 1/8		18.35
30	1981* 100.00	ZENTRAL UND KOM 5.25:1/4 18.063 9/ 7/1991 S	99 3/8		18.18

AUSTRALIAN DOLLARS

Issued (Est. O/S)	Year of issue / Issue price	Borrower / Coupon / Maturity	Price	Yield to maturity / to ave. life	Current yield
15	1978 99.25	AUSTRALIAN IND DEV CORP 10.00 1/10/1983	88	17.89	11.36
30	1980 99.50	AUSTRALIAN IND DEVT CORP 12.25 15/10/1985	88	16.61	13.92
10	1977 100.00	AUSTRALIAN RESOURCES 10.00 1/12/1982	91	19.93	10.99
15	1978 100.00	CITICORP O/S FIN E88 10.50 15/ 2/1983	91 1/2	18.30	11.48
15	1979 99.50	CITICORP O/S FIN E89 11.00 1/ 2/1984	92	15.38	11.96
12	1978 100.00	BANK OVERSEAS HOLDINGS 11.50 1/ 7/1983	92	17.27	12.50

AUSTRIAN SCHILLINGS

Issued (Est. O/S)	Year of issue / Issue price	Borrower / Coupon / Maturity	Price	Yield to maturity / to ave. life	Current yield
150 45.0	1971 98.50	ASIAN DEVELOPMENT BANK 7.00 20/12/1963 S	97	8.74 11.77	7.35
350 326.7	1979 99.50	EUROFIMA 8.00 4/12/1994	85	10.11 11.36	9.41
400	1978 99.80	EUROPEAN INVESTMENT BANK 7.75 22/12/1986	88 1/2	11.34	8.96
350 291.7	1976 97.25	EUROPEAN INVESTMENT BK P 8.00 20/10/1986	93 1/4	9.78 10.77	8.58
500	1979 99.50	EUROPEAN INVESTMENT BANK 8.00 28/12/1989	83 1/2	11.17	9.58
300 300.0	1976 97.25	INTER-AMERICAN DEV BK D 8.00 17/12/1986	91 1/2	10.20 11.97	8.74
400	1979 99.50	INTER-AMERICAN DEV BANK 8.00 21/12/1989	83 1/2	11.18	9.58
1	1980 99.50	WORLD BANK 8.00 1/ 2/1990	84	11.04	9.52

BAHRAINI DINARS

Issued (Est. O/S)	Year of issue / Issue price	Borrower / Coupon / Maturity	Price	Yield to maturity / to ave. life	Current yield
12 12.0	1977 100.00	NAT ALGERIE NAV E82 8.75 1/ 8/1987	91	10.92 12.27	9.62
15 15.0	1977 100.00	PETROLEOS MEXICANOS E82 8.75 15/11/1987	90	11.10 12.01	9.72

CANADIAN DOLLARS

Issued (Est. O/S)	Year of issue / Issue price	Borrower / Coupon / Maturity	Price	Yield to maturity / to ave. life	Current yield
25	1977 99.50	AMERICAN HOSPITAL SUPPLY 8.75 15/10/1984	82 3/4	16.58	10.57
20	1977 100.00	AVCO FIN SERV-CANADA 9.50 1/ 8/1982	92 7/8	20.39	10.23
25	1979 99.25	AVCO FIN SERV-CANADA 10.25 15/ 5/1986	73 1/4	19.59	13.99
50	1980 100.00	BANKMONT REALTY CO 12.75 15/ 9/1988	85	16.33	15.00
10	1979 100.00	BANK OF BRITISH COLUMBIA 10.25 15/ 5/1989	72	17.08	14.24
50	1976 100.00	BANK OF MONTREAL 9.00 15/ 9/1982	92 1/8	19.33	9.77
30	1977 99.75	BANQUE CANADIENNE NAT 8.25 15/ 2/1982	96 1/8	22.75	8.58
15	1976 100.00	BANQUE CANADIENNE NAT 9.25 15/ 4/1982	95	21.26	9.74
20	1976 99.50	B.C CENTRAL CREDIT UNION 9.75 22/12/1981	99	16.60	9.85
25	1977 100.00	BC-RT 8.75 1/ 6/1982	94 3/8	19.44	9.27
60	1979 100.00	BELL-CANADA 10.75 1/10/1986	85 7/8	16.99	12.52
30	1977 99.00	BENEFICIAL FIN INT 9.00 15/ 2/1984	84 1/2	17.72	10.65
25	1975 100.00	BENEFICIAL FIN INT E79 9.75 15/12/1982	90 7/8	19.44	10.73
25	1977 100.00	BRITISH COLUM MFA F85(3) 9.00 1/ 6/1997	78 3/4	12.07	11.43
25	1975 99.00	BRITISH COLUMBIA M.F.A 9.25 30/ 6/1982	94	19.38	9.84
24	1979 100.00	BRITISH COLUM MFA E89/94 10.25 15/ 5/1999	73	16.35	14.04
20	1976 99.00	CALGARY POWER 9.75 15/ 5/1982	95 3/8	19.08	10.22
25	1976 100.00	CANADA TRUSTCO MORTGAGE 9.25 1/12/1981	99	21.25	9.34
35	1977 100.00	CANADIAN ACCEPTANCE P 9.375 15/10/1982	90 1/4	21.66	10.39
60	1980 100.00	CANADIAN IMP BK COMMERCE 11.50 15/ 7/1985	84 3/4	17.34	13.57
50	1980 99.50	CANADIAN IMP BK COMMERCE 13.50 15/ 5/1985	91 1/8	16.93	14.81
60	1977 99.25	CANADIAN NAT RAIL CO 8.875 1/ 3/1987	76 3/8	13.69	11.62
35	1976 100.00	CANADIAN PACIFIC SECS 9.25 15/ 4/1983	90 3/4	16.77	10.19
35	1975 100.50	CANADIAN PACIFIC SECS 9.75 15/12/1981	98 7/8	18.85	9.86
25	1977 100.00	CHRYSLER CREDIT - CANADA 9.25 15/ 6/1982	85	40.16	10.88
30	1976 99.00	CHRYSLER CREDIT - CANADA 9.50 15/10/1982	85	29.62	11.18
30	1977 100.00	CREDIT FONCIER F-CAN 8.75 15/ 2/1982	97	19.68	9.02
30	1979 100.00	CREDIT FONCIER F-CAN 10.375 15/ 9/1984	82 1/2	18.74	12.58
15	1977 100.00	DRESSER IND (CANADA) P 8.50 15/ 3/1982	93 1/2	28.33	9.09
30	1976 100.50	EUROPEAN COAL & STEEL 9.00 15/ 3/1983	88 3/4	18.87	10.14
25	1977 100.50	EUROPEAN COAL & STEEL 9.00 15/ 4/1984	82 3/4	18.22	10.88
30	1979 100.00	EXPORT DEVELOPMENT CORP 10.00 15/ 5/1984	85 7/8	17.22	11.64
25	1980 100.00	EXPORT DEVELOPMENT CORP 11.375 1/ 9/1985	6		
60	1980 100.00	FEDERAL BUSINESS DEV BK 11.50 15/ 7/1990	76 7/8	16.68	14.96
40	1981* 99.25	FEDERAL BUSINESS DEV BK 17.75 30/10/1986	100 1/4	17.67	17.71
50	1979 100.50	FIRST CANADIAN INVEST 10.00 15/ 5/1984	85 5/8	17.36	11.68
20	1977 100.00	FORD MOTOR CREDIT-CANADA 8.50 15/ 5/1984	80 1/2	18.73	10.56
20	1977 99.50	FORD MOTOR CREDIT-CANADA 8.75 15/ 5/1987	68 3/8	18.23	12.80
30	1976 99.50	FORD MOTOR CREDIT-CANADA 9.25 1/ 2/1983	89 1/8	19.72	10.38
40	1976 100.00	FORD MOTOR CREDIT-CANADA 9.50 15/ 7/1982	93 1/8	20.60	10.20
10	1975 100.00	GENELCAN D 9.50 1/12/1982	90	20.61	10.56
25	1977 100.00	GENERAL FOODS LTD 8.50 1/ 5/1984	83 7/8	16.83	10.13
50	1976 100.00	GEN MOTORS ACCEPTANCE 9.00 1/ 2/1982	96 3/8	24.63	9.34

OCTOBER 1981 WestLB Euro-Deutschmarkbond Quotations and yields

Advertisement

Issue	Middle Price	Current Yield	Yield to Maturity*	Life*	Repayment D-mandatory-drawing by lot at par S-sinking fund P-purchase fund
…76/83	90.25	8.86	16.11	1.42	1. 4.83
…77/82 PP	94.00	7.71	17.98	0.82	16. 6.82
…77/82 PP	93.00	7.53	17.60	0.75	1. 8.82
…Dev. Bank 78/88	84.00	9.23	12.51	4.58	1. 6.88
…Dev. Bank 79/87	84.00	9.52	11.88	6.00	1.11.87
…Paris 69/84 PP (G)	93.75	6.93	11.91	1.30	1. 3.75—84D
…5/82 PP	99.25	9.07	11.81	0.25	1. 2.82
…6/83 PP	92.50	8.38	13.22	1.58	1. 6.83
…8/84 PP	88.00	6.98	13.06	2.42	1. 4.84
…9/86 PP	81.00	8.02	12.40	4.33	1. 3.86
…80/90	90.15	9.98	10.80	8.54	15. 5.86—90S
…se Int'l. 75/83	98.25	8.40	9.75	1.24	1. 8.81—83D
…n Expr. Int'l. 79/87	81.00	6.79	10.40	6.21	15. 1.87
…nt'l. 77/84 PP	90.00	7.50	11.69	2.42	1. 4.84
…74/81 (G)	99.85	10.02	11.38	0.08	due 1.12.77—81D
…Finance 76/83 PP	91.50	8.47	12.83	2.00	1.11.83
…Finance 77/87	83.50	8.08	10.82	5.58	1. 6.83—87S
…Finance 79/86 PP	79.00	9.49	13.63	4.91	1.10.86
…Finance 80/87 PP	87.60	10.29	12.18	5.58	1. 6.87
…unndal 77/89 PP	85.75	7.87	11.47	3.88	1. 7.82—89D
…Sunndal 81/89	101.75	10.57	10.38	7.67	1. 7.89
…ie 77/84	86.50	8.67	13.37	2.92	1.10.84
…ie 78/85	81.00	8.02	13.98	3.33	1. 3.85
…ie 78/88	73.50	8.84	14.45	4.87	1.11.84—88D
…ne 79/89	75.65	9.91	12.70	7.50	1. 5.85—89S
…Dev. Bk. 69/84	97.50	7.18	8.16	2.83	1. 9.75—84S
…Dev. Bank 76/82	98.90	8.09	11.24	0.33	1. 3.82
…Dev. Bk. 76/83 PP	93.75	8.27	12.75	1.42	1. 4.83
…Dev. Bk. 77/85	89.00	7.87	11.00	3.42	1. 4.85
…Dev. Bk. 78/88	78.60	7.19	10.68	6.50	1. 5.88
…Dev. Bk. 79/89	81.65	8.88	10.86	7.75	1. 8.89
…Dev. Bk. 80/90	86.35	9.70	10.82	9.00	1.11.90
…Dev. Bk. 80/90	97.50	10.26	10.44	8.50	1. 5.90
…Dev. Bk. 81/91	97.00	10.31	10.50	9.42	1. 4.91
…Dev. Bk. 81/89	100.30	10.72	10.69	7.95	15.10.89
…73/88 (G)	91.25	8.22	10.74	3.60	1. 2.79—88D
…76/84 (G)	95.25	9.45	11.04	2.79	15. 8.77—84S
…77/84 (G)	89.50	8.68	12.58	2.67	1. 7.84
…ia 67/82	99.50	6.53	7.04	1.00	1.11.73—82S
…ia 68/83	99.50	6.78	7.17	1.75	1. 8.74—83S
…ia 69/84	99.00	6.57	7.10	2.25	1. 2.75—84S
…ia 69/84	99.15	7.31	7.72	3.00	1.11.75—84S
…ia 72/87	97.50	7.18	7.58	5.25	1. 2.78—87S
…ia 75/82	99.45	9.05	10.97	0.25	1. 2.82
…ia 75/82 I PP	98.87	8.34	10.89	0.42	1. 4.82
…ia 75/82 II PP	98.87	8.34	10.45	0.50	1. 5.82
…ia 76/83	97.25	7.46	8.48	1.33	1. 3.83
…ia 77/82 PP	96.25	5.45	9.70	0.92	1.10.82
…ia 77/89	90.00	7.19	9.42	8.00	1.11.85—89S
…ia 78/88	82.75	7.25	9.54	6.83	1. 9.88
…ia 80/87 PP	92.50	8.65	9.68	6.07	1.12.87
…ia 80/90	93.50	8.68	9.26	8.33	1. 3.90
…Ind. Dev. Corp. 72/87	89.00	7.58	10.84	3.35	1.11.76—87D
…f Austria 68/82	99.50	7.04	8.39	0.42	1. 4.73—82S
…f Austria 69/83	97.00	6.70	8.98	1.42	1. 4.75—83S
…f Austria 74/81 PP	98.90	9.86	25.80	0.07	due 1.12.81
…f Austria 75/82 PP	98.90	8.85	11.37	0.41	1. 4.79—82D
…f Austria 75/83	99.75	9.02	9.15	1.25	1. 2.83
…f Austria 75/83 PP	97.50	8.97	11.63	0.90	1. 4.79—83D
…f Austria 75/87	95.60	8.89	9.54	5.50	1. 5.78—87S
…f Austria 76/86	93.00	8.33	9.72	4.50	2. 5.83—86S
…f Austria 77/85	91.80	7.35	9.65	3.42	1. 4.83—85S
…f Austria 77/87 PP	89.25	7.84	11.33	3.06	1. 1.83—87D
…f Austria 77/87 PP	87.00	7.76	11.93	3.14	1. 2.83—87D
…f Austria 77/87 PP	82.25	7.29	11.48	4.27	1. 9.84—87D

WestLB SD Certificates (Schuldschein-Index)

5 years maturity: 10.70%

Issue	Middle Price	Current Yield	Yield to Maturity*	Life*	Repayment D-mandatory-drawing by lot at par S-sinking fund P-purchase fund
6¾% Den Norske Ind. 77/89 (G)	87.00	7.76	10.92	4.07	1. 6.80—89D
6% Den Norske Ind. 78/90 (G)	82.00	7.32	11.07	4.73	1. 5.83—90D
6½% District Paris 69/84 (G)	94.25	6.90	9.23	2.42	1. 4.75—84D
7¼% E E C 76/83	95.50	7.59	10.77	1.42	1. 4.83
8¼% Electr. de France 80/88 PP (G)	88.50	9.32	10.66	7.00	1.11.88
7% Eletrobras 77/87 (G)	88.00	7.95	9.79	5.83	1. 9.83(83-87)
6¾% Eletrobras 78/86 (G)	75.00	9.00	14.82	4.42	1. 4.86
7% Eletrobras 79/87 (G)	74.25	9.43	14.27	5.25	1. 2.87
5¼% Elf Aquitaine 78/88	76.85	6.83	11.07	5.50	15. 5.86—88D
5¾% Elkem 78/88 PP	81.00	7.10	11.38	4.48	1. 6.84—88D
6¾% Ericsson 72/87	88.10	7.66	8.69	5.33	1. 3.78—87S
6½% ESCOM 68/83 (G)	92.50	7.03	12.65	1.40	1.10.74—83D
8½% ESCOM 70/85 (G)	93.25	9.12	12.76	1.84	1. 4.76—85D
8% ESCOM 71/86 (G)	90.00	8.89	13.82	2.20	1. 3.77—86D
6¾% ESCOM 72/87 (G)	93.00	7.53	13.16	3.15	1. 9.78—87D
7% ESCOM 73/88 (G)	84.60	8.27	13.06	3.26	1. 5.79—88D
8% ESCOM 78/84 PP (G)	87.50	9.14	13.32	3.00	1.11.84
8¾% ESCOM 79/84 I PP (G)	90.50	9.67	13.04	2.74	1. 8.84
8¾% ESCOM 79/84 II PP (G)	90.50	9.67	13.03	2.75	1. 8.84
9% ESCOM 80/87 PP (G)	92.00	9.78	11.27	4.74	1. 8.84—87D
9¼% ESCOM 80/87	93.50	9.89	10.78	6.00	1.11.87
7¾% ESTEL 73/88	87.25	8.88	10.46	6.75	1. 8.79—88S
8½% ESTEL 75/85	95.75	8.88	9.93	3.58	1. 6.81—85S
8½% ESTEL 76/83 PP	89.00	9.55	18.39	1.33	1. 3.83
6½% ESTEL 77/84 PP	80.00	8.13	15.30	3.00	1.11.84
6¼% ESTEL 77/84 PP	81.50	7.67	17.88	2.03	1.12.82—84D
6¼% ESTEL 78/85 PP	70.15	8.91	17.36	3.92	1.10.85
7¾% ESTEL 79/86 PP	72.00	10.76	16.71	4.75	1. 8.86
8⅛% ESTEL 79/86 PP	77.00	10.55	14.83	5.12	15.12.86
8⅞% ESTEL 80/87 PP	77.50	11.45	15.04	5.62	15. 6.87
5¾% Euratom 77/87	79.75	7.21	10.46	6.00	1.11.87
6¼% Euratom 79/91 PP	81.00	7.72	11.02	5.50	8. 2.84—91D
6½% Eurofima 67/83	94.25	6.90	11.39	1.32	1. 9.71—83D
6¼% Eurofima 72/87	87.50	7.14	11.11	3.18	1. 9.76—87D
6½% Eurofima 73/88	87.65	7.42	11.39	3.12	1. 3.77—88D
8% Eurofima 73/88	95.25	8.40	9.56	3.73	1.10.77—88D
8% Eurofima 76/83	97.00	8.25	10.62	1.25	1. 2.83
6¾% Eurofima 77/87 PP	88.50	7.63	11.27	3.14	1. 2.83—87D
5½% Eurofima 78/88	81.85	6.72	11.14	4.18	15. 2.84—88D
5½% Eurofima 78/88 PP	77.70	7.08	11.20	5.43	1.11.85—88D
6½% Eurofima 79/89	82.50	7.88	11.13	5.14	1. 2.85—89D
7% Eurofima 79/84 PP	90.75	7.71	10.86	2.92	1.10.84
7⅜% Eurofima 79/87 PP	84.25	8.75	11.14	5.92	1.10.87
8¼% Eurofima 80/87 PP	89.50	9.22	10.71	6.00	1.11.87
7⅞% Eurofima 80/88 PP	88.50	8.90	10.47	6.21	15. 1.88
6% Europ. Inv. Bank 69/84	93.60	6.41	11.76	1.30	1. 3.75—84D
7% Europ. Inv. Bank 69/84	97.00	7.22	8.88	1.97	1.11.75—84D
7½% Europ. Inv. Bank 71/86	93.10	8.06	11.38	2.23	1. 3.77—86D
7¾% Europ. Inv. Bank 71/86	92.25	8.40	11.09	2.81	1.10.77—86D
6½% Europ. Inv. Bank 72/87	89.50	7.26	11.22	2.68	1. 3.78—87D
6% Europ. Inv. Bank 72/87	86.25	6.95	11.34	3.18	1. 9.80—87D
6¾% Europ. Inv. Bank 73/88	90.00	7.50	8.89	6.25	1. 2.79—88S
7% Europ. Inv. Bank 73/88	91.00	7.69	8.83	6.67	1. 7.79—88S
9½% Europ. Inv. Bank 75/83	99.50	9.55	9.91	1.17	1. 1.81—83D
8% Europ. Inv. Bank 76/83	97.00	8.25	10.82	1.15	1. 7.80—83D
7¾% Europ. Inv. Bank 76/83 PP	94.50	8.20	11.07	1.92	1.10.83
6¾% Europ. Inv. Bank 76/84	92.60	7.29	10.96	2.05	1.12.81—84D
6% Europ. Inv. Bank 77/89	83.55	7.18	11.36	3.97	1. 8.82—89D
6% Europ. Inv. Bank 78/88 I PP	76.50	7.84	11.12	6.75	1. 8.88
6% Europ. Inv. Bank 78/88 II PP	76.00	7.89	11.09	7.04	15.11.88
5¼% Europ. Inv. Bank 78/90	75.65	6.94	10.91	6.10	1. 3.85—90D
6% Europ. Inv. Bank 78/90	75.75	7.92	10.28	8.92	1.10.90P
7½% Europ. Inv. Bank 79/89	84.50	8.83	10.55	7.58	1. 6.89
7⅝% Europ. Inv. Bank 79/89 PP	84.00	9.08	10.76	7.75	1. 8.89
6½% Europ. Inv. Bank 79/91	77.60	8.35	10.40	9.17	1. 1.91P
9¼% Europ. Inv. Bank 80/86	97.75	9.46	9.86	4.50	1. 5.86
7⅞% Europ. Inv. Bank 80/90	85.50	9.21	10.47	8.75	1. 8.90
8½% Europ. Inv. Bank 80/90	89.50	9.50	10.35	8.96	15.10.90
9% Europ. Inv. Bank 80/87 PP	94.50	9.52	10.27	6.03	15.11.87
9½% Europ. Inv. Bank 80/90	95.60	9.94	10.28	8.59	1. 5.90
9½% Europ. Inv. Bank 80/90	95.25	9.97	10.32	9.08	1.12.90
10⅛% Europ.Inv.Bank 81/91	99.50	10.18	10.21	9.99	1.11.91
10½% Europ. Inv. Bank 81/91	100.35	10.46	10.42	9.42	1. 4.91
10½% Europ. Inv. Bank 81/91 II	100.30	10.47	10.44	9.79	15. 8.91
10¾% Europ. Inv. Bank 81/91	101.75	10.57	10.43	9.62	15. 6.91
8¼% Europistas 71/86 (G)	91.50	9.02	12.41	2.68	1. 2.77—86D
8% Europistas 72/87 (G)	90.00	8.89	12.38	3.05	1. 1.78—87D
7½% Fin. Inst. f. Dan. Ind. 76/81 PP	99.50	7.54	13.46	0.08	due 1.12.78—81S
7% Finland 68/83	94.75	7.39	12.76	1.07	1. 6.72—83D
6¾% Finland 68/83	91.85	7.35	13.03	1.57	1.12.72—83D
7% Finland 69/84	93.00	7.53	12.77	1.46	2. 5.73—84D
7½% Finland 69/84	91.50	8.20	13.13	1.88	1.10.73—84D
7% Finland 72/87	94.75	7.39	8.39	5.42	1. 4.78—87S
8% Finland 76/84	97.50	8.21	9.09	2.58	1. 6.81—84S
5½% Finland 78/83 PP	91.00	6.04	13.76	1.25	1. 2.83
6% Finland 78/83	90.75	6.61	11.21	2.08	1.12.83
5¾% Finland 78/86	82.00	7.01	11.30	4.25	1. 2.86
8% Finland 79/86	88.50	9.04	11.04	5.12	16.12.86
10% Finland 81/89	96.75	10.34	10.62	7.50	1. 5.89
8½% Finn. Industriebank 80/90 (G)	89.00	9.55	11.41	5.22	1.11.83—90D
7½% Finn. Kommunal 69/81 (G)	99.50	7.54	13.98	0.08	due 1.12.72—81D
8% Finn. Kommunal 71/83 (G)	96.50	8.29	12.20	0.99	2. 5.76—83D
8¼% Forsmarks 75/83 (G)	96.10	8.58	11.97	1.15	1. 7.80—83D
5¾% Forsmarks 78/90 (G)	79.50	7.23	11.98	4.41	16. 1.83—90D
8⅞% Forsmarks 80/87 (G)	92.00	9.65	11.05	4.97	1.11.85—87D
7½% Francetel 76/83 (G)	93.50	8.02	11.38	1.96	16.10.83
6¾% Francetel 77/84 PP (G)	90.50	7.46	11.42	2.42	1. 4.84
7% Fuji Heavy 76/81 PP	99.50	7.04	12.99	0.08	due 1.12.81
9¼% Gen. Zbk. Vienna 75/82 PP	98.75	9.37	12.91	0.33	1. 3.82
8½% Gen Zbk. Vienna 76/83 PP	97.00	8.76	12.89	0.73	1. 2.82—83D
6% Gen. Zbk. Vienna 77/87	83.90	7.15	11.22	3.98	1.12.83—87D
7¼% Giroz. Vienna 76/83	93.50	7.75	11.05	2.00	1.11.83
5½% Giroz. Vienna 77/82	96.25	5.71	9.96	0.92	1.10.82
5¾% Giroz. Vienna 78/85 PP	80.50	7.14	11.10	4.92	1.10.86
6⅞% Giroz. Vienna 79/84 PP	90.30	7.64	11.22	2.79	16. 8.84
8⅞% Giroz. Vienna 80/87 PP	92.75	9.57	10.64	5.58	1. 6.87
10¾% Giroz. Vienna 81/91	101.75	10.57	10.43	9.67	1. 7.91
6% G. I. S. 78/83 PP	94.50	6.35	13.43	0.82	1. 3.82—83D

WestLB

For current prices and further information call

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Westdeutsche Landesbank Girozentrale
Leading Marketmakers in Eurobonds

Issue	Middle Price	Current Yield	Yield to Maturity*	Life*	Repayment
7% Grand Metrop. Fin. 77/84	92.25	7.59	10.35	2.75	1. 8.81—84S
8% Guest-Keen-Nettl. 75/83	95.10	8.41	11.66	1.50	2. 5.83
6¾% Hamersley Iron 72/87	85.75	7.87	10.16	5.67	1. 7.78—87S
8¾% Hazama-Gumi 80/85 PP	93.50	9.36	10.99	3.62	16. 6.85
7% Helsinki 68/83	97.00	7.22	9.17	1.67	1. 7.72—83S
9% Hidroelectr. Ibecica 80/90	91.00	9.89	11.25	5.54	1. 8.84—90D
5¾% Hitachi Shipbldg. 78/83	90.75	6.34	10.84	2.12	16.12.83
8⅜% Honeywell Bull 80/90	87.50	9.57	10.62	8.75	1. 9.90P
8¾% IAKW. Vienna 75/85 (G)	95.50	9.16	11.40	1.83	1. 5.80—85D
10% IBM 80/86 PP	102.25	9.78	9.32	4.42	1. 4.86
7¼% Iceland 69/84	96.25	7.53	9.16	2.50	1. 5.73—84S
7¾% Iceland 77/87	90.50	8.56	10.09	5.42	1. 4.80—87S
6½% I C I Int'l. 72/92	80.00	8.13	9.63	10.33	1. 3.78—92S
7½% I C I Int'l. 76/86	89.60	8.37	10.80	4.06	1.12.84—86D
6¾% I C I Int'l. 77/87	87.60	7.71	10.75	3.94	1. 5.84—87D
8% ICIPU 71/91 (G)	87.25	9.17	11.86	4.80	1. 1.77—91D
8% Imatran Voima 72/87 (G)	95.10	8.41	9.42	5.17	1. 1.78—87S
7% Indonesia 76/84	89.50	7.82	11.42	2.92	1.10.84
7¾% Ind. Dev. C. South-Afr. 78/82 PP (G)	96.00	8.07	16.59	0.49	1. 5.82
8% Ind. Dev. C. South-Afr. 78/83 PP (G)	92.00	8.70	13.60	1.67	1. 7.83
5% Industr. Bk. Japan 78/84	89.10	5.61	10.90	2.17	1. 1.84
7⅜% Ind. Fund Finnland 73/87 PP	85.50	8.63	11.83	4.31	16. 9.84—87D
7½% Ind. Min. Dev. Iran 73/85	78.75	9.52	15.81	3.50	1. 5.77—85S
7¾% Ind. Min. Dev. Iran 77/87	71.00	10.92	15.84	5.67	1. 7.83—87S
7¼% Ind. Min. Dev. Iran 78/84	63.00	11.51	27.42	2.87	16. 9.84
8% Ind. Mtgebk. Finl. 71/86 (G)	89.50	8.94	12.71	2.96	1.12.77—86D
7% Ind. Mtgebk. Finl. 72/87 (G)	88.35	7.92	12.05	3.00	1. 7.78—87D
6¾% Int. Am. Dev. Bank 68/83	99.25	6.80	7.36	1.67	1. 7.72—83S
7% Int. Am. Dev. Bank 69/84	98.50	7.11	7.75	2.75	1. 8.75—84S
8½% Int. Am. Dev. Bank 70/85	97.50	8.72	9.50	3.83	1. 9.78—85S
6¾% Int. Am. Dev. Bank 72/87 I	91.00	7.42	8.85	5.58	1. 6.78—87S
6¾% Int. Am. Dev. Bank 72/87 II	90.30	7.48	8.91	6.00	1.11.78—87S
8% Int. Am. Dev. Bank 75/83 PP	95.00	8.42	12.34	1.29	16. 2.83
8¼% Int. Am. Dev. Bank 76/83 PP	94.50	8.73	12.01	1.67	1. 7.83
7% Int. Am. Dev. Bank 77/87	89.00	7.87	9.80	5.17	1. 1.83—87S
6¼% Int. Am. Dev. Bank 78/88	81.00	7.72	10.59	6.17	1. 1.88
7¾% Int. Am. Dev. Bank 79/86	89.80	8.63	10.61	4.67	1. 7.86
8% Int. Am. Dev. Bank 79/89 PP	85.00	9.41	10.97	7.71	15. 7.89
8% Int. Am. Dev. Bank 80/88	88.50	9.04	10.59	6.25	1. 2.88
10% Int. Am. Dev. Bank 81/91	98.40	10.16	10.26	9.33	1. 3.91
6¾% Int'l. Com'l. Bank 72/83	94.85	7.12	12.07	1.07	1. 6.79—83D
7½% Ireland 79/87 PP	83.50	8.98	11.71	5.50	1. 5.87
8⅜% Ireland 80/88	93.00	9.03	10.39	6.17	1. 1.88
7¾% ISCOR 71/86 (G)	91.00	8.52	10.52	4.58	1. 6.77—86D
7% ISCOR 72/87 (G)	86.90	8.06	13.23	2.74	1. 4.78—87D
7% ISCOR 73/88 (G)	85.50	8.19	12.95	3.09	1. 3.79—88D
8½% ISCOR 73/88 (G)	89.50	9.50	12.73	3.77	1.11.79—88D
7⅝% ISCOR 78/82 PP (G)	98.00	7.91	12.68	0.42	1. 4.81—82D
8¾% ISCOR 78/84 PP (G)	82.00	9.27	12.95	2.96	16.10.84
7% Japan 69/83	98.90	7.08	8.03	1.33	1. 3.72—83S
8¼% Japan Air Lines 80/87 (G)	95.50	8.69	9.59	6.04	16.11.87
7¼% Japan Dev. Bank 76/83 (G)	95.75	7.49	9.75	1.42	1. 4.83
7¾% Japan Dev. Bank 80/87 (G)	91.30	8.35	9.63	5.63	1. 9.87
10¼% Japan Synthetic 80/85 PP	98.50	10.41	10.75	3.44	15. 4.85
8% Johannesburg 71/86 (G)	88.75	9.01	13.17	2.71	1. 9.77—86D
6¾% Johannesburg 72/87 (G)	83.00	7.53	13.16	3.15	1. 9.78—87D
7¾% Johannesburg 78/82 PP (G)	95.50	8.12	17.79	0.49	30. 4.82
7¼% Jdysk Telefon 69/84	95.00	7.63	9.49	2.66	15. 9.75—84S
6¾% Jydsk Telefon 72/87	83.75	8.06	10.91	5.33	1. 3.78—87D
7¾% Jydsk Telefon 73/88	87.65	8.27	9.99	6.25	1. 2.79—88D
9% Jydsk Telefon 75/82 PP	98.62	9.13	11.08	0.67	1. 7.82
8½% Jydsk Telefon 80/90	87.25	9.74	10.91	6.25	1. 2.90
6¾% Kansai Electric 69/84	98.75	6.84	7.47	2.33	1. 5.75—84S
7¾% Kansai Electric 71/86	95.25	8.14	9.06	4.50	1. 5.77—86S
6¾% KELAG 73/88	89.50	7.54	8.93	6.50	1. 5.79—88S
6¾% KHD Finance 72/87	90.75	7.44	8.93	5.50	2. 5.78—87S
7½% Kjobenhavns H. Bank 76/83 PP	91.50	8.06	12.22	2.08	1.12.83
7½% Kjobenhavns Tel. 72/87	93.00	8.06	9.44	5.17	2. 1.78—87S
7% Kjobenhavns Tel. 72/87	87.50	8.00	10.05	5.50	1. 5.78—87S
6½% Kjobenhavns Tel. 73/88	84.05	7.73	9.57	6.42	1. 4.79—88S
5% KLM Royal Dutch Airl. 78/85 PP	88.00	5.68	12.32	1.83	1. 5.79—85D
7% Kobe 68/83 (G)	98.00	7.14	8.54	1.58	1. 6.72—83S
6¾% Kobe 69/84 (G)	97.00	6.96	8.36	2.50	1. 5.73—84S
7¾% Kobe 71/86 (G)	96.15	8.08	8.85	4.25	1. 2.77—86S
6¾% Kobe 72/87 (G)	94.00	7.18	8.13	5.50	1. 5.78—87S
7½% Kobe 76/83 (G)	95.50	7.85	10.87	1.58	1. 6.83
6¼% Kobe 77/87 (G)	86.00	7.59	9.86	5.58	1. 6.87
5¾% Kobe 78/86 (G)	84.50	6.80	10.06	4.67	1. 7.86
7⅛% Kobe 79/89 (G)	84.75	8.41	10.00	7.92	1.10.89
8% Kobe 80/90 (G)	90.50	8.84	9.65	8.67	1. 7.90
7¾% Kommunl. Inst. 76/83	94.50	8.20	14.54	0.50	1. 4.81—83D
8% Kommunl. Inst. 73/84	84.75	9.44	10.14	2.96	15.10.77—84D
7¾% Korea Dev. Bank 77/84 (G)	84.50	8.58	13.73	3.08	1.12.84
5¼% Kubota Int'l. 77/82 PP	98.00	5.35	12.53	1.08	1.12.81—82D
5¾% Kvaerner Ind. 78/88 PP	79.50	7.23	12.23	4.22	1. 3.84—86D
8½% Light-Services 77/82 (G)	98.25	8.65	13.22	0.33	1. 3.82

Issue	Middle Price	Current Yield	Yield to Maturity*	Life*	Repayment D-mandatory-drawing by lot at par S-sinking fund P-purchase fund
6¾% Light-Services 78/88 (G)	76.00	8.88	14.31	4.50	1. 5.86
8½% Light-Services 80/90 (G)	77.90	10.91	14.13	6.08	16. 1.86—90D
9¾% Lonrho Intern. 80/87	92.50	10.54	11.84	5.50	2. 5.87
6½% Lufthansa Int'l. 78/88 PP	84.25	7.72	11.27	4.33	1. 3.86
7% Malaysia 72/84	93.50	7.49	11.77	1.55	1. 6.75—84D
6½% Malaysia 77/85	84.60	7.68	11.70	3.83	1. 9.85
9¼% Malmoe 75/84	96.60	9.58	12.35	1.21	1. 2.81—84D
8¼% Malmoe 76/83	96.70	8.53	12.59	0.82	1. 3.80—83D
6½% Manitoba 77/84	90.00	7.22	10.98	2.67	1. 7.84
6¾% Manit. Hydro El. 72/87	89.75	7.52	9.16	5.58	1. 6.78—87S
6¼% Megal Fin. Comp. 78/90	75.75	8.25	10.87	8.17	2. 1.85—90S
7% Megal Fin. Comp. 79/89	80.75	8.67	10.90	7.42	1. 4.87—89P
7% M E P C 73/88	87.25	8.02	11.88	3.28	1. 5.79—86D
7¼% Mexico 73/88	88.25	8.22	9.87	6.17	1. 1.79—88S
9% Mexico 75/82	98.50	9.14	11.29	0.67	1. 7.82
8% Mexico 76/83	93.50	8.56	12.70	1.58	1. 6.83
7¾% Mexico 77/84	91.25	8.49	11.83	2.58	1. 6.84
6% Mexico 78/85	84.75	7.08	11.63	3.42	1. 4.85
8¾% Michelin Finance 80/87 PP	89.50	9.78	11.23	6.04	16.11.87
8½% Midland Int. Fin. 80/80	90.75	9.37	10.12	8.96	15.10.90
6½% Mitsubishi Chemical 79/84	90.60	7.17	10.96	2.50	30. 4.84
5¾% Mitsubishi Petro. 78/83	91.25	6.30	11.27	1.83	1. 9.83
9% MODO 75/83	96.75	9.30	12.29	1.07	1. 6.80—83D
7% Montreal 69/89	87.00	8.05	11.55	3.63	1. 4.70—89D
6% Montreal 72/92	79.10	7.59	11.47	5.30	1. 9.73—92D
6¾% Montreal 73/93	81.25	8.31	9.47	11.58	1. 6.74—93S
8½% Montreal 76/86	95.25	8.92	9.79	4.67	1. 7.77—86S
7% Montreal 77/87	86.75	8.07	10.15	5.71	16. 7.78—87S
7½% Mortg. Denmark 69/84 (G)	97.25	7.71	8.74	3.00	1.11.75—84S
7% Mortg. Denmark 73/88 (G)	84.50	8.28	10.31	6.67	1. 7.79—88S
8½% Mortg. Denmark 80/90 (G)	86.90	9.78	10.89	8.67	1. 7.90
6¾% Mortg. Bk. Finl. 69/84 (G)	95.60	7.06	9.00	2.42	1. 4.73—84S
8¾% Nafi. Mexico 76/83 PP (G)	93.00	9.41	12.76	2.08	1.12.83
7% Nafi. Mexico 77/82 PP (G)	95.25	7.35	13.31	0.83	1. 9.82
8¾% Nafi. Mexico 77/84 (G)	93.50	9.36	12.05	2.33	1. 3.84
8¾% Nafi. Mexico 77/84 PP (G)	93.00	9.41	12.32	2.33	1. 3.84
6½% Nat. Bk. Hungary 77/85	81.75	7.95	12.58	4.00	1.11.85
7% Nat. Nederl. Fin. Maat 79/86 PP	88.25	7.93	10.15	4.92	1.10.86
8% Nat'l. Westm. Bk. 73/88	92.60	8.64	9.50	6.92	1.10.79—88S
11% Nat'l. Westm. Bk. 81/91	103.15	10.66	10.47	9.91	1.10.91
8% Nederl. Gasunie 79/86	93.75	8.53	9.60	5.08	1.12.83—86
8½% Nederl. Gasunie 80/87	96.50	8.81	9.34	5.33	1. 3.84—87S
6¾% New Brunswick 72/87	91.00	7.42	8.74	6.00	1.11.78—87S
7¼% Newfoundland 69/84	94.50	7.67	9.79	2.75	1. 8.75—84S
8% Newfoundland 71/86	96.00	8.33	9.06	4.75	1. 8.77—86S
6¾% Newfoundland 72/87	87.60	7.71	9.56	6.00	1.11.78—87S
6½% Newfoundland 73/88	87.25	7.45	9.20	6.42	1. 4.81—88S
6¾% New Zealand 69/84	94.35	7.15	12.22	1.21	1. 2.75—84D
7½% New Zealand 71/86	93.25	8.04	11.06	2.40	1. 5.77—86D
7% New Zealand 72/87	90.75	7.71	11.27	2.59	1. 2.78—87D
7½% New Zealand 76/83	95.75	7.83	11.03	1.33	1. 3.83
7¾% New Zealand 76/83	93.40	8.30	10.51	2.90	1.11.82—86D
6¼% New Zealand 77/84	91.00	6.87	10.49	2.50	1. 5.84
5¼% New Zealand 78/86	82.50	6.36	10.46	4.33	1. 3.86
6% New Zealand 79/86 PP	84.00	7.14	10.88	4.25	1. 2.86
6¼% New Zealand 79/87	85.00	7.35	10.11	5.17	1. 1.87
7⅛% New Zealand 79/87	86.65	8.22	10.25	5.87	15. 9.87
8¼% New Zealand 79/84 PP	93.00	8.87	11.04	3.08	1.12.84
7⅞% New Zealand 80/88	89.75	8.77	10.03	6.71	15. 7.88
6¾% Nippon Housing Loan 79/84 PP	88.50	7.63	12.24	2.54	16. 5.84
6½% Nippon Kokan 79/84	90.75	7.16	11.03	2.42	1. 4.84
5¾% Nippon Steel 78/85	85.75	6.71	10.44	3.83	1. 9.85
8¾% Nippon T + T 75/82 (G)	99.65	8.78	9.58	0.33	1. 3.82
8¼% Nippon T + T 75/82 (G)	98.50	8.38	10.65	0.58	1. 6.82
7¾% Nippon T + T 76/83 (G)	95.90	8.08	10.19	1.92	1.10.83
5½% Nippon T + T 79/87 (G)	81.90	6.72	10.10	5.25	1. 2.87
5¾% Norcem 78/85	85.00	6.76	11.38	3.33	1. 3.85
7½% Norcem 79/86 PP	83.50	8.98	12.20	4.83	1. 9.86
5% Norddt. LB Int'l. 78/84 PP	89.25	5.60	10.59	2.25	1. 2.84
6¼% Nordic Inv. Bank 79/86	83.85	7.45	11.31	4.17	1. 1.86
8½% Norges Komm. Bank 70/85 (G)	97.00	8.76	9.65	3.92	1.10.76—85S
7% Norges Komm. Bank 77/89 (G)	89.50	7.82	8.99	7.42	1. 4.80—89S
6% Norges Komm. Bank 77/89 I (G)	85.50	7.02	8.59	7.96	16.10.80—89S
6% Norges Komm. Bank 77/89 II (G)	81.75	7.34	9.31	8.08	1.12.80—89S
6% Norges Komm. Bank 78/90 (G)	80.90	7.42	9.27	8.75	1. 8.81—90S
6¼% Norges Komm. Bank 79/89 (G)	81.25	7.69	10.03	7.17	1. 1.84—89S
7⅜% Norges Komm. Bank 79/89 PP (G)	86.00	8.58	10.04	7.79	16. 8.84—89S
7¾% Norges Komm. Bank 79/91 (G)	86.10	9.00	10.05	9.67	1. 7.84—91S
8¼% Norges Komm. Bank 79/94 (G)	87.25	9.46	10.03	13.12	16.12.85—94S
8½% Norpipe 76/84	97.00	8.76	10.01	2.25	1. 2.80—84S
8% Norpipe 76/88	91.75	8.72	9.74	6.58	1. 6.83—88S
6% Norpipe 77/89	77.00	7.79	10.37	8.00	1.11.84—89S
7¼% Norsea Gas 76/88	85.75	8.45	10.16	7.08	1.12.83—88S
7% Norsea Gas 77/89	82.90	8.44	10.32	7.67	1. 7.84—89S
9% Norsk Hydro 75/87	97.75	9.21	9.95	2.70	1. 3.80—87D
8% Norsk Hydro 76/88	92.00	8.70	9.71	6.42	1. 4.83—88S
6¾% Norsk Hydro 77/89	87.25	7.74	9.14	7.58	1. 6.82—89S
6½% Norway 77/82	99.50	6.53	9.40	0.17	1. 1.82
6¼% Norway 77/82	98.10	6.37	10.96	0.42	1. 4.82
5¾% Norway 77/82	97.00	5.93	10.03	0.75	1. 8.82
4¾% Norway 78/83	94.50	5.03	9.94	1.17	1. 1.83
4⅜% Norway 78/83	92.30	4.74	10.46	1.42	1. 4.83
6¼% Norway 79/84	91.50	6.83	10.37	2.42	1. 4.84
7½% Norway 80/85	95.10	7.89	9.32	3.21	15. 1.85
7¼% Norw. Mortgage 77/87	89.25	8.12	11.15	3.44	16. 5.83—87D
6% Norw. Mortgage 77/89	83.50	7.19	11.05	4.27	16.11.82—89D
7¾% Nova Scotia 71/86	92.75	8.36	10.93	2.98	1.12.77—86D
7% Nova Scot. Power 72/87	90.00	7.78	9.21	6.08	1.12.78—87S
9¾% Nuclebras 80/88 (G)	88.75	10.99	12.25	6.87	16. 9.88
6¾% Occident. Int. Fin. 78/90	76.75	8.79	10.91	9.08	1.12.85—90S
6½% Occident. Overs. 68/83	92.75	7.01	11.07	1.92	1.10.72—83S
6% Oester. Donaukr. 59/84 (G)	94.00	6.38	10.07	1.74	1. 2.65—84D
6¾% Oester. Donaukr. 73/88 (G)	87.75	7.69	9.39	6.33	1. 3.79—88S
8¾% Oester. Draukr. 75/85 (G)	97.05	9.02	10.60	1.77	1. 3.81—85D
7% Oest. El. Wirtsch. 67/87 (G)	92.00	7.61	10.87	2.60	1. 2.73—87D
7% Oest. El. Wirtsch. 76/83 PP (G)	92.25	7.59	11.28	2.12	16.12.83
5½% Oest. Ind. Verwaltung 78/85 PP (G)	83.50	6.59	11.21	3.67	1. 7.85
6⅞% Oest. Inv. Kredit 79/84 PP	98.73	6.96	7.35	2.99	1.11.84
7% Oest. Kontrollbank 76/83 PP (G)	92.00	7.61	11.52	2.08	1.12.83
6¾% Oest. Kontrollbank 77/84 PP (G)	91.50	7.38	11.19	2.25	1. 2.84
6½% Oest. Kontrollbank 77/84 PP (G)	89.50	7.26	11.24	2.67	1. 7.84
6¼% Oest. Kontrollbank 77/84 PP (G)	88.25	7.08	11.44	2.75	1. 8.84
6% Oest. Kontrollbank 77/85 PP (G)	84.50	7.10	11.00	4.00	1.11.85
5¾% Oest. Kontrollbank 78/84 PP (G)	88.00	6.53	11.02	2.75	1. 8.84
~~6½% Oest. Kontrollbank 78/88 (G)~~	81.00	8.02	10.40	7.12	16.12.88
6% Oest. Kontrollbank 79/87 PP (G)	82.25	7.29	10.56	5.25	1. 2.87
7⅜% Oest. Kontrollbank 79/89	84.00	8.78	10.44	7.92	1.10.89
8% Oest. Kontrollbank 79/84 PP (G)	93.00	8.60	10.77	3.08	1.12.84
7⅞% Oest. Kontrollbank 79/86 PP (G)	88.75	8.87	10.84	5.12	16.12.86
8% Oest. Kontrollbank 80/87 (G)	91.50	8.74	10.15	5.25	1. 2.87
8¾% Oest. Kontrollbank 80/85 PP (G)	94.50	9.26	10.74	3.37	15. 3.85
8½% Oest. Kontrollbank 80/88 (G)	91.75	9.28	10.21	7.00	1.11.88
9% Oest. Kontrollbank 80/87 PP	93.50	9.63	10.58	5.54	15. 5.87
8¼% Oest. Kontrollbank 80/92	89.00	9.27	9.96	10.57	1. 7.92
7¾% Oest. Kontrollbank 80/88 PP (G)	86.25	8.99	10.67	6.83	1. 9.88
5½% Oest. Länderbank 77/82	95.50	5.76	10.07	1.08	1.12.82
6½% Ontario 69/84	93.25	6.97	11.15	1.74	1. 2.75—84D
6% Ontario 72/87	87.00	6.90	11.05	3.18	1. 9.80—87D
7½% Ontario Hydro 71/86	92.65	8.09	10.43	2.98	1.12.77—86D
6½% Ontario Hydro 72/87	89.00	7.30	11.06	2.93	1. 6.80—87D
6½% Ontario Hydro 73/88	89.85	7.23	10.43	3.14	1. 3.81—88D
7½% Oslo 69/84	95.00	7.89	10.65	1.37	1.11.75—84D
7½% Oslo 71/87	95.25	7.87	8.84	5.17	2. 1.78—87S
6¾% Oslo 73/90	84.00	8.04	9.53	8.67	1. 7.76—90S
9% Oslo 75/87	97.55	9.23	9.59	5.33	1. 3.78—87S
8¾% Oslo 80/90	92.10	9.50	10.18	8.33	1. 3.83—90S
6¾% Papua 73/88	89.50	7.54	8.89	6.67	1. 7.73—88S
6¾% Parker-Hannifin 77/87 PP	84.25	8.01	12.60	3.47	1. 6.83—87D
7½% Parker-Hannifin 79/87	85.00	8.82	11.87	4.63	1. 7.85—87D
8¾% Pemex 76/83	94.00	9.31	12.16	2.08	1.12.83
7% Pemex 77/84	88.35	7.92	12.07	2.83	1. 9.84
7% Pemex 78/86	84.00	8.33	12.09	4.17	1. 1.86
7% Petrobras 77/84	83.25	8.41	14.42	2.92	1.10.84
7% Petrobras 78/88	76.25	9.18	14.15	4.78	1.10.84—88D
8% Petrobras 79/89	77.40	10.34	13.93	5.79	1.10.85—89D
7¼% Philippine 77/84	84.75	8.55	13.80	3.00	1.11.84
6¾% Philippine 78/85	82.50	8.18	13.43	3.42	1. 4.85
8¾% Philips 75/82	98.90	8.85	11.61	0.37	15. 3.82
5¾% PK-Banken 78/88	79.50	7.23	12.01	4.39	1. 5.84—88D
6⅛% Postipankki 79/85 PP	95.00	6.45	9.42	1.69	1. 2.82—85D
7¼% Privatbk. Copenh. 77/83 PP	93.00	7.80	12.88	1.42	1. 4.83
6¼% Pyhrn Autobahn 77/89 (G)	81.00	7.72	11.28	5.18	1. 9.84—89D
6½% Quebec 72/87	87.75	7.41	11.51	3.01	1. 7.78—87D
7½% Quebec 77/87	89.00	8.43	10.30	5.25	1. 2.87
7¼% Quebec 77/87	88.00	8.24	10.15	5.58	1. 6.87
6% Quebec 78/90	77.85	7.71	11.37	5.84	1. 5.85—90D
10¾% Quebec 81/91	101.35	10.61	10.51	9.82	1. 9.91
6¾% Quebec Hydro El. 69/84	99.00	6.82	7.36	2.25	1. 2.75—84S
7¼% Quebec Hydro El. 69/84	96.00	7.55	9.95	1.80	1. 9.75—84D
8% Quebec Hydro El. 71/86	94.50	8.47	10.62	2.73	1. 9.77—86D
6½% Quebec Hydro El. 72/87	88.50	7.34	11.57	2.76	1. 4.78—87D
6½% Quebec Hydro El. 73/88	87.75	7.41	11.35	3.12	1. 3.79—88D
6½% Quebec Hydro El. 77/87	83.50	7.78	10.42	5.79	16. 8.87P
6¼% Quebec Hydro El. 77/87	81.00	7.72	10.65	6.08	1.12.87P
8½% Queensland Alu. 70/85	96.25	8.83	9.89	4.00	1.11.76—85S
5¾% Rautaruukki 78/88 (G)	80.00	7.19	11.93	4.30	1. 4.84—88D
7¼% Reed Paper 73/88	91.50	7.92	9.10	6.17	1.1.79—88S
7½% Renault 80/85 PP	87.50	8.57	11.71	3.83	1. 9.85
10¾% Renault 81/86 PP	98.75	10.89	11.07	4.67	1. 7.86
8½% Renfe 76/82 (G)	97.75	8.70	12.04	0.67	1. 7.82
7% Renfe 79/87 (G)	91.75	8.72	12.08	2.42	1. 4.84
9% Rep. Chile 80/86	80.50	8.70	11.96	5.58	1. 6.87
8% Renfe 77/84 (G)	82.00	9.78	11.24	4.75	1. 8.86

WestLB Euro-Deutschmarkbond Yield Index

Oct. 30, 1981: 10.85% (Sept. 30, 1981: 11.49%)

Issue	Middle Price	Current Yield	Yield to Maturity*	Life*	Repayment
5¼% Ricoh Comp. 78/83	89.75	5.85	12.05	1.75	1. 6.83
7¾% Roy. Bk. of Canada 80/90	88.50	8.76	9.75	8.75	1. 8.90
6¾% Roy Lease 78/84 PP	90.00	7.50	10.93	2.92	1.10.84
7¾% SAAB 71/86	94.00	8.24	9.61	4.58	1. 6.77—86S
7½% Saga Petrokjemi 77/87 PP	90.00	8.33	9.87	5.67	1. 7.83—87S
7½% Sandvik 72/87	89.35	8.39	12.55	2.58	1. 2.78—87D
9¼% Sandvik 75/83	97.50	9.49	11.42	1.25	1. 2.83
7% Sanko Steamship 77/84	91.50	7.65	11.46	2.25	1. 2.84
8¼% Seiyu Stores 80/86	91.25	9.04	10.86	4.33	1. 3.86
6½% Shell Int'l. 72/87	92.25	7.05	8.32	5.42	1. 4.78—87S
6¾% Shell Int'l. 77/89	88.50	7.63	9.67	5.16	1. 2.85—89D
7% Singapore 72/82	97.25	7.20	11.69	0.67	1. 7.78—82S
6½% Singapore 77/83	91.00	7.14	13.44	1.50	1. 5.83
8½% Sira Kvina 70/85	95.00	8.90	11.35	2.02	1. 6.76—85D
6½% S.N.C.F. 68/83 (G)	84.75	6.86	9.62	1.92	1.10.72—83S
7½% Soc. Dev. Reg. 76/86 (G)	91.75	8.17	11.25	2.63	1. 4.80—86D
6¼% Soc. Dev. Reg. 77/92 PP (G)	77.00	8.12	11.67	6.17	16.12.83—92D
9% Soc. Mer. Fin. 76/83 PP	95.75	9.40	13.74	0.98	1. 5.79—83D
6¼% Sorrente 79/84 PP	86.25	7.25	13.86	2.21	16. 1.84
6¾% South-Africa 69/84	99.50	6.78	7.10	2.42	1. 4.73—84S
8½% South-Africa 70/85	98.00	8.67	9.32	4.00	1.11.76—85S
7¾% South-Africa 71/86	95.00	8.16	9.22	5.00	1.11.77—86S
7% South-Africa 72/87	91.10	7.68	8.98	6.00	1.11.78—87S
9% South-Africa 80/87	92.75	9.70	10.75	5.67	1. 7.87
7¾% South-Afr. Oil Fund 78/82 I PP (G)	96.00	8.07	13.58	0.75	1. 8.82
7¾% South-Afr. Oil Fund 78/82 II PP (G)	95.25	8.14	13.81	0.87	16. 9.82
8% South-Afr. Oil Fund 79/83 PP (G)	88.00	9.09	15.42	2.00	1.11.83
7⅝% South-Afr. Oil Fund 79/84 PP (G)	91.00	8.52	12.37	2.33	1. 3.84
7½% South-Afr. Railway 73/88 (G)	90.50	8.29	9.49	6.58	1. 6.79—88S
7¾% South-Afr. Railway 78/82 PP (G)	95.50	8.12	17.57	0.50	1. 5.82
8% South-Afr. Railway 78/83 I PP (G)	81.00	6.79	14.36	1.67	1. 7.83
8% South-Afr. Railway 78/83 II PP (G)	91.00	8.73	13.84	1.83	1. 9.83
7¾% South-Afr. Railway 78/83 PP (G)	89.00	8.71	14.19	2.08	1.12.83
7% South Scot. El. 73/88 (G)	91.75	7.63	8.76	6.25	1. 2.79—88S
6¾% Spain 77/84	87.25	7.74	12.47	2.75	1. 8.84
6% Spain 78/88	77.00	7.79	11.14	6.50	1. 5.88
6% Sparbank Oslo 78/90 PP	81.50	7.36	11.85	4.17	16. 5.81—90D
7¾% Standard Imp. & Exp. 78/82 PP	93.00	8.16	15.14	0.75	1. 8.82
6½% Stand. Chart. Bank 78/88	82.00	7.93	10.61	6.17	1. 1.88
6% Statoil 78/88 (G)	80.50	7.45	10.08	6.83	1. 9.84—88S
6½% Statoil 79/89 (G)	81.50	7.98	10.19	7.33	1. 3.86—89S
7% Statsfoeretag 77/85	91.50	7.65	12.62	1.76	1. 3.82—85D
8¾% Stockholm County 75/87	94.10	9.30	11.31	2.76	1. 4.79—87D

CONVERTIBLES—JAPAN (CONTINUED)

[illegible]

CONVERTIBLES—LUXEMBOURG

[illegible]

CONVERTIBLES—U.S. (CONTINUED)

[illegible]

CONVERTIBLES—U.S. (CONTINUED)

[illegible]

CONVERTIBLES—U.S. (CONTINUED)

[illegible]

EUROBOND

The Association of International Bond Dealers Quotations and Yields appears monthly in the Financial Times.

It will be published on the following date:

1981

Tuesday 15th December

The proposed dates for 1982 are as follows:

1982

Tuesday 12th January
Tuesday 16th February
Tuesday 16th March
Thursday 15th April
Wednesday 12th May
Wednesday 16th June
Tuesday 13th July
Monday 16th August
Tuesday 14th September
Wednesday 13th October
Thursday 11th November
Tuesday 14th December

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INVESTMENT FUNDS

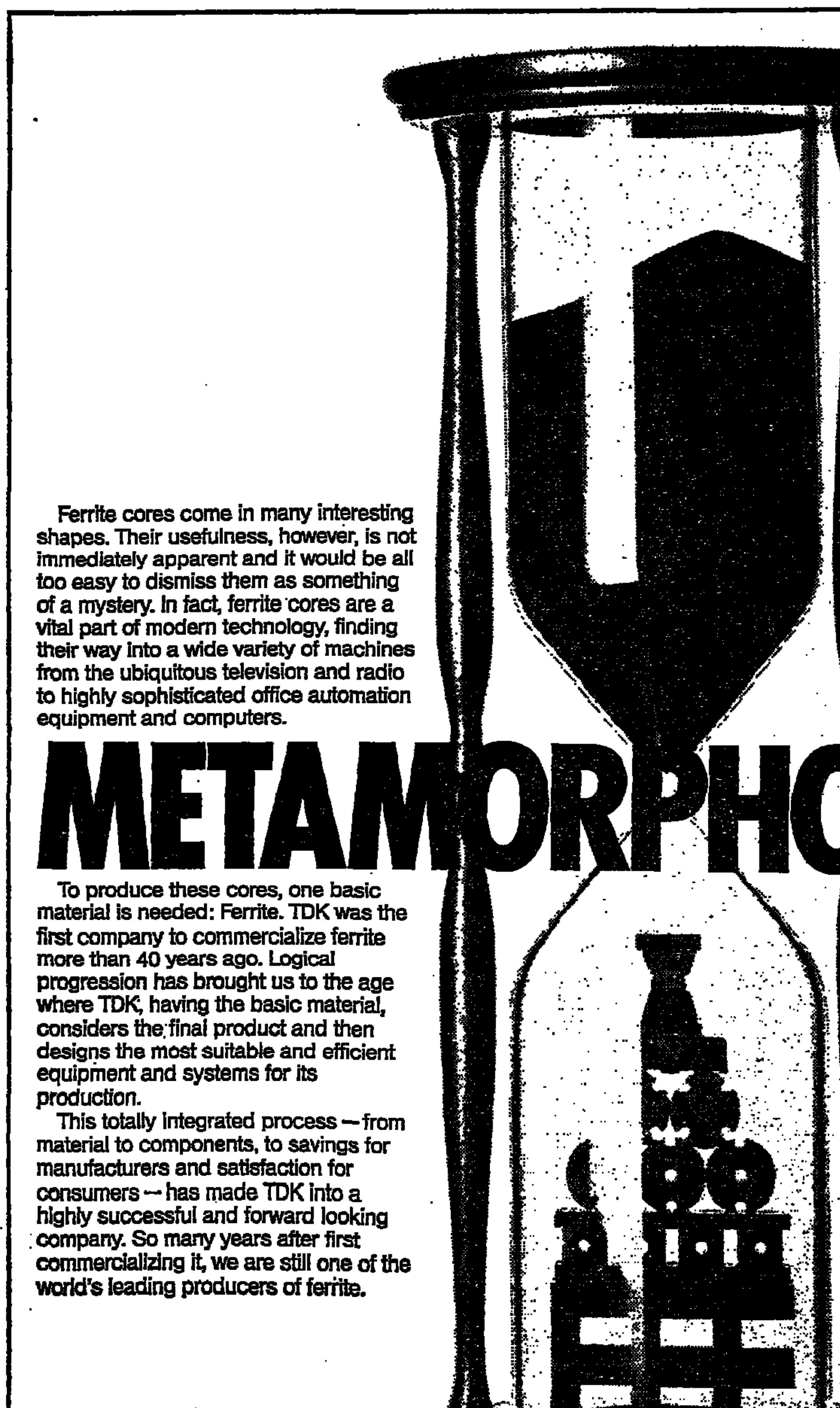
The following funds include Eurobond issues within their portfolio
Quotations & yields as at 31st October, 1981

SOCIETE GENERAL De BANQUE
BANQUE GENERALE Du LUXEMBOURG

Funds 31/10/1981	Price	First Issue Price	Yield %	Div. Date	1/11/80 High	30/10/81 Low	1/11/78 High	31,
Rentinvest	LuxFr894	LuxFr1000	10.38	20/11/81 (84)	LuxFr899	LuxFr727	LuxFr899	Lu
Capital Rentinvest	LuxFr1784	LuxFr1000	(Capitalisation)		LuxFr1793	LuxFr1430	LuxFr1793	Lux

WestLB Euro-Deutschmarkbond Quotations (Continued)

Issue	Middle Price	Current Yield	Yield to Maturity*	Life*	Repayment D-mandatory-drawing by lot at par S-sinking fund P-purchase fund
8½% Sumitomo Metal 75/82	96.50	8.63	10.79	0.67	1. 7.82
7½% Sun Oil Int. Fin. 73/88	91.25	8.22	9.28	6.75	1. 8.79—88S
7¼% Svenska Cell. 73/88	85.75	8.45	10.45	6.25	1. 2.73—88S
10¾% Svenska Hdl. Bk. 81/87	97.50	10.51	10.84	5.97	20.10.87
6¾% Sveriges Inv. Bk. 72/87	91.85	7.35	8.71	5.33	1. 3.78—87S
7% Sveriges Inv. Bk. 73/88	88.60	7.90	8.46	6.33	1. 3.79—88S
8½% Sveriges Inv. Bk. 75/83	98.50	8.63	9.50	1.58	1. 6.80—83S
6½% Sweden 77/84	91.00	7.14	10.76	2.50	1. 5.84
6% Sweden 77/89	78.50	7.64	10.00	8.08	1.12.83—89S
7¾% Sweden 79/89	86.25	8.99	10.43	7.67	1. 7.89
7½% Sweden 79/89 PP	82.00	9.15	11.06	7.75	1. 8.89
8% Sweden 80/87 PP	88.50	9.04	10.96	5.29	15. 2.87
9¾% Sweden 80/87	99.50	9.80	9.85	5.42	1. 4.87
9% Sweden 80/87 PP	93.00	9.68	10.71	5.54	15. 5.87
9¼% Sweden 80/87 PP	93.75	9.87	10.72	6.00	1.11.87
7⅞% Sweden 80/90	84.75	9.29	10.61	8.63	1. 6.90
9½% Swedish Export 80/87	95.50	9.95	10.53	6.08	1.12.84—87S
9% Tauernautobahn 75/82 PP (G)	99.00	9.09	11.67	0.33	1. 3.82
9% Tauernautobahn 75/83 PP (G)	97.62	9.22	10.92	1.33	1. 3.83
5½% Tauernautobahn 78/93 (G)	72.50	7.59	9.55	11.42	1. 4.84—93S
8½% Tauernautobahn 80/90 PP (G)	88.50	9.60	10.54	8.96	16.10.90
7% Tauernkraftwerke 68/83 (G)	95.60	7.32	11.13	1.25	1. 2.74—83D
6½% Tauernkraftwerke 68/83 (G)	98.10	6.63	7.77	1.83	1. 9.74—83S
8% Tenplinco 73/93	85.35	9.37	10.17	12.00	1.11.82—93S
9½% Tenplinco 75/82 PP	98.50	9.64	13.96	0.33	1. 3.82
6¼% Thailand 78/83 PP	90.00	6.94	14.47	1.42	1. 4.83
8½% Thyssen Car. Fin. 75/82 PP	99.00	8.59	10.81	0.42	1. 4.82
8¾% Thyssen Car. Fin. 75/82 PP	93.15	8.32	9.49	0.67	1. 7.82
7¼% Tokyo El. Power 69/84	93.55	7.75	12.40	1.51	1.12.75—84D
6½% Tokyo El. Power 79/85	88.60	7.34	10.53	3.50	1. 5.85
5½% Toyo Rubber 78/83 PP	88.50	6.21	12.61	1.92	1.10.83
6½% Traf. House Fin. 72/87	87.75	7.41	9.38	5.92	1.10.78—87S
6% Trinidad & Tobago 78/83	91.25	6.58	13.09	1.42	1. 4.83
6¾% Trondheim 68/83	91.50	7.38	11.79	2.07	1.12.72—83S
5¾% Trondheim 76/88	79.75	7.21	10.90	5.36	1. 4.86—88D
7½% T R W Int. Fin. 69/84	96.00	7.81	9.29	2.92	1.10.75—84S
6% T V O Power 78/88 (G)	79.00	7.59	10.78	6.25	1. 2.84—88S
5¾% UDS Group 78/83	89.60	6.42	12.41	1.83	1. 9.83
9¾% Unilever 74/81 PP	99.75	9.77	12.38	0.08	due 1.12.81
8½% Unilever 75/87	96.87	8.80	8.75	5.50	1. 5.81—87S
6½% Union Bank Finland 78/88	79.25	8.20	10.82	7.12	16.12.84—88S
5¾% Uniroyal 78/84 PP	82.25	6.99	13.92	2.75	1. 8.84
6¾% Unit. Arab. Emirats. 77/82 PP	96.50	6.99	14.28	0.50	30. 4.82
7% Venezuela 68/83	97.00	7.22	8.92	1.92	1.10.74—83S
6% Venezuela 78/88	71.25	8.42	12.90	6.33	1. 3.84—88S
6½% Venezuela 78/90	71.00	9.15	11.93	9.00	1.11.85—90S
9¾% Venezuela 80/90	93.60	10.42	10.90	9.00	1.11.86—90
8¼% Vienna 75/84	96.75	8.53	10.36	1.72	1. 8.79—84D
5¾% Vienna 77/84 PP	86.75	6.63	10.98	3.12	15.12.84
8½% Voest-Alpine 73/88	91.50	9.29	10.27	6.92	1.10.79—88S
8½% Voest-Alpine 75/85	94.75	8.97	11.50	2.02	1. 6.81—85D
6¾% Voest-Alpine 77/83	83.00	8.13	11.43	4.93	1. 6.84—88D
6½% Wells-Fargo ex w. 73/88	83.00	7.83	9.99	7.00	1.11.79—88S
8¾% Westland-Utrecht 80/85 PP	87.00	10.06	13.83	3.33	1. 3.85
9% Westland-Utrecht 80/87 PP	81.00	11.11	13.87	6.00	1.11.87
5½% Worldbank 65/85	96.25	5.80	6.17	3.42	1. 4.71—85S
6½% Worldbank 68/84 PP	92.75	7.01	11.52	1.66	2. 1.77—84D
6½% Worldbank 69/84	94.00	6.91	11.10	1.55	1. 6.75—84D
6½% Worldbank 69/84 PP	92.25	7.05	11.89	1.66	2. 1.77—84D
6% Worldbank 69/84 PP	93.50	6.42	11.28	1.38	1. 4.77—84D
8% Worldbank 70/86	93.60	8.55	10.93	2.60	1. 1.77—86D
7½% Worldbank 71/86 I	92.15	8.14	11.26	2.48	1. 6.77—86D
7½% Worldbank 71/86 II	90.85	8.26	11.27	2.98	1.12.77—86D
6½% Worldbank 72/82	97.75	6.65	10.04	0.67	1. 7.82
6¾% Worldbank 72/87	90.00	7.50	11.24	2.68	1. 3.78—87D
6¾% Worldbank 73/85	95.30	7.08	10.91	1.25	1. 2.83
6½% Worldbank 73/88	86.75	7.35	11.40	3.29	1. 5.79—88D
8¾% Worldbank 75/82 PP	98.65	8.36	10.60	0.57	1. 6.82
8% Worldbank 75/82	97.85	8.18	10.16	1.08	1.12.82
8¼% Worldbank 75/83	98.25	8.40	9.38	1.87	1. 7.83
8% Worldbank 76/82 PP	98.50	8.12	10.07	0.75	1. 8.82
7¾% Worldbank 76/82 PP	98.25	7.89	9.81	0.92	1.10.82
7½% Worldbank 76/83	95.55	7.85	10.80	1.50	1. 5.83
7¾% Worldbank 76/83	95.35	8.13	10.54	1.92	1.10.83
6¾% Worldbank 76/83 PP	91.90	7.38	11.55	2.08	1.12.83
8% Worldbank 76/84	96.00	8.33	10.04	2.25	1. 2.84
5½% Worldbank 77/82 PP	95.75	5.88	9.52	0.87	15. 9.82
7% Worldbank 77/85 PP	88.25	7.93	11.40	3.33	1. 3.85
6½% Worldbank 77/84 PP	88.00	7.39	10.76	3.50	1. 5.85
6% Worldbank 77/85	86.40	6.94	10.44	3.87	18. 9.85
7% Worldbank 77/87	86.25	8.12	10.58	5.17	1. 1.87
6½% Worldbank 77/87	84.15	7.72	10.41	5.50	1. 5.87
5¾% Worldbank 78/84	90.25	6.37	9.95	2.75	1. 8.84
6% Worldbank 78/88	79.50	7.55	10.36	6.75	1. 8.88
6¼% Worldbank 78/88	80.00	7.81	10.37	7.08	1.12.88
5¾% Worldbank 78/90	77.15	7.45	10.69	6.69	1. 2.87—90D
7% Worldbank 79/85 PP	89.75	7.80	10.42	3.75	1. 8.85
7½% Worldbank 79/87 PP	83.50	8.53	11.15	5.75	1. 8.87
7¾% Worldbank 79/91	84.00	9.23	10.44	9.67	1. 7.91
10% Worldbank 80/86	102.25	9.78	9.33	4.50	1. 5.86
8½% Worldbank 80/88 PP	89.50	9.50	10.79	6.58	1. 6.88
9% Worldbank 80/88 PP	92.25	9.76	10.69	6.50	1. 5.88
7⅞% Worldbank 80/90	86.00	9.16	10.50	8.17	1. 1.90
7⅞% Worldbank 80/90 II PP	85.00	9.26	10.71	8.16	1. 1.90
10% Worldbank 80/90	100.00	10.00	9.98	8.50	1. 5.90
8% Worldbank 80/90	86.85	9.21	10.24	8.75	1. 8.90
7¾% Worldbank 80/88 PP	87.00	8.91	10.52	6.75	1. 8.88
9¼% Worldbank 81/91	94.50	9.79	10.19	9.17	1. 1.91
10% Worldbank 81/91	99.65	10.04	10.04	9.50	1. 5.91
10½% Worldbank 81/91	100.25	10.47	10.44	9.75	1. 8.91
11% Worldbank 81/91	102.00	10.78	10.65	9.83	1. 9.91
6¾% Yokohama 68/83 (G)	99.75	6.77	7.01	1.83	1. 9.72—83S
7% Yokohama 69/84 (G)	98.80	7.09	7.80	2.91	30. 9.73—84S
8% Yokohama 71/86 (G)	97.75	8.18	8.58	4.75	1. 8.77—86S
8% Yugosl. Inv. Bank 77/84 PP	88.50	9.04	12.86	3.12	15.12.79—84S



WORLD STOCK MARKETS

NEW YORK

Stock	Nov. 13
ACF Industries	38¾
AMF	25½
AM Intl	5
ARA	26
ASA	46½
AVX Corp	14⅝
Abbott Labs	27⅞
Acme Cleve	17¾
Adobe Oil & Gas	30⅝
Advanced Micro	17¼
Aetna Life & Cas	44½
Ahmanson (H.F.)	15¾
Air Prod & Chem	38
Akzona	11
Albany Int	26
Alberto-Culv	13
Albertson's	28⅜
AlcanAluminium	22
Alco Standard	21
Alexander& Al	39¾
Allegheny Intl	33⅛
Allied Corp	45½
Allied Stores	25½
Allis-Chalmers	14⅝
Alpha Portd.	12½
Alcoa	23
Amal. Sugar	47
Amax	42⅝
Amerada Hess	26¼
Am. Airlines	13⅜
Am. Brands	38¾
Am. Broadcast'g	33⅝
Am. Car	35½
Am. Cyanamid	27¼
Am. Elect.Powr	17¼
Am. Express	46
Am. Gen. Insnce.	44¼
Am. Hoist & Dk	15⅞
Am. Home Prod.	35
Am. Hosp. Supply	36⅞
Am. Medical Intl.	26
Am. Motors	2⅞
Am. Nat. Rescs.	37¾
Am. Petfina	59¼
Am. Quasar Pet	16⅜

1981 High	1981 Low	Stock	Nov. 13
41¼	28⅝	Columbia Gas	31
45	32¼	Columbia Pict	41
24	17	Combined Int	23¾
49¼	33¼	Combustn. Eng	36⅞
22	17⅞	Cmwlth.Edison	22
62⅛	42	Comm.Satellite	57⅜
24⅛	11¾	Comp. Science	11¾
39⅞	28⅜	Cone Mills	30¼
66⅝	41⅞	Conn Gen. Inn.	54¾
27	17⅜	Conrac	23⅝
33⅜	22⅝	Cons Edison	32⅝
33⅛	24	Cons Foods	31⅛
44¼	24⅝	Cons Freight	42⅜
66¾	43⅛	Cons Nat Gas	47⅞
19⅛	15	ConsumerPower	17⅞
16⅝	6⅜	Cont Air Lines	7
30¾	23⅜	Contl Corp	27¼
40⅛	30½	Contl Group	34⅝
42⅝	30⅞	Cont. Illinois	37⅞
19	15	Contl Telep.	18⅞
42⅛	29¾	Control Data	37¾
53¼	43	Cooper Inds.	50⅛
16⅛	10⅜	CoorsAdolph	10⅝
47⅛	23¾	Copperweld	45¼
74⅜	51⅛	Corning Glass	57¼
26	17⅝	Corroon Black	20⅛
39⅛	24	Cox Broadcast'g	35
45¾	32⅝	Crane	35⅞
42	30⅛	Crocker Nat	31¼
36⅝	26	Crown Cork	26⅝
52⅝	25⅛	Crown Zell	27¾
57⅝	30½	Cummins Eng	33⅛
50⅝	38⅝	Curtiss-Wright	41¾
12⅛	5⅛	Damon	7¼
33⅜	21⅞	Dana	25⅞
52	43	Dart & Kraft	50¾
68⅛	41½	Data Gen	50¾
52	43¾	Dayton-Hudson	54
47	32⅛	Deere	35
61⅛	52¼	Delta Air	50⅜
31	19	Denny's	29

1981 High	1981 Low	Stock	Nov. 13
6⅝	3⅝	Gt. Atl. Pac. Tea	
13	4⅜	Gt. Basins Pet	
47	33⅝	Gt.Nthn.Nekoosa	
19	12¼	Gt West Financl.	
20¼	14	Greyhound	
36¼	22⅛	Grumman	
21¼	14¾	Gulf & Western	

Stock	Nov. 13
Cincinnati Mil	27
Citicorp	26⅜
Cities Service	51½
City Investg	22⅜
Clark Equipment	28⅛
Cleve Cliffs Iron	32¼
Clorox	11
Cluett Peaby	13¾
Coca Cola	34⅞
Colgate Palm	15⅛
Collins Aikman	10⅝
Colt Inds	62⅝

1981 High	1981 Low	Stock	Nov. 13
36	28⅝	Genuine Parts	33¾
31¾	18¼	Georgia Pac	19
62⅛	41⅜	Geosource	47
33	26½	Gerber Prod	31⅞
92¼	56¼	Getty Oil	64½
28	18⅝	Giddings Lewis	18⅝
35⅛	27¼	Gillette	32¾
35¾	17	Global Marine	20⅛
27⅜	18¾	Goodrich (BF)	19½
20⅛	15	Goodyear Tire	17¾
30⅛	22	Gould	26¾
60¼	39¼	Grace	43⅞
44½	33⅞	Grainger (WW)	39

1981 High	1981 Low	Stock	Nov. 13
60⅛	29¼	McGraw Edison	32¾
56	39⅜	McGraw-Hill	50½
11¼	7	McLean Trukg	7
32⅝	22⅞	Mead	23½
39	29⅜	Media Genl	36⅝
43	30¾	Medtronic	36
39¾	30⅞	Mellon Natl.	39¾
47½	35⅞	Melville	38
14⅛	8½	Memorex	13½
57	34	Mercantile Sts	57
102⅜	76½	Merck	80
66½	47⅞	Meredith	60⅜
45⅞	26¼	Merrill Lynch	36

1981 High	1981 Low	Stock	Nov. 13
		Ryder System	
		SFN Companies	
		SPS Technol'gies	25
		Sabine Corp	
		Safeco	
		Safeway Stores	
		St. Paul Cos	
		St. Regis Paper	
56		Santa Fe Inds	
		Santa Fe Intl	
		Saul Invest	
		Saxon Inds	
42	26	Schering Plough	

Indices

NEW YORK —DOW JONES

	Nov. 13	Nov. 12	Nov. 11	Nov. 10	Nov. 9	Nov. 6	1981 High	1981 Low	Since Cmp'l't High	Since Cmp'l't Low
Ind'ls	866.88	860.54	857.12	853.88	855.21	862.46	1024.05 (27/4)	824.01 (25/9)	1051.70 (11/1/73)	41.22 (2/7/32)
H'me Bnds		58.79	58.31	58.84	58.56	57.88	65.78 (15/1)	54.99 (1/10)	—	—
Transport	388.68	394.86	392.47	386.88	385.88	383.17	447.38 (16/4)	335.48 (25/9)	447.38 (16/4/81)	12.25 (8/7/32)
Utilities	110.87	110.78	109.74	108.88	109.40	102.53	117.81 (6/1)	101.28 (28/9)	165.32 (20/4/69)	10.5 (28/4/42)
Trading Vol 000's	45,660	56,790	41,820	55,840	48,310	46,270	—	—	—	—

Day's high 865.20. low 851.79.

	Nov. 9	Nov. 2	Oct. 23	Year ago (approx)
Ind. div. yield %	6.51	6.46	6.58	5.85

STANDARD AND POORS

	Nov. 13	Nov. 12	Nov. 11	Nov. 10	Nov. 9	Nov. 6	1981 High	1981 Low	Since Cmpil't'n High	Since Cmpil't'n Low
Ind'ls	134.94	138.74	136.86	136.39	137.23	138.76	157.02 (6/1)	128.49 (24/9)	160.96 (28/11/80)	3.52 (30/6/32)
Composite	121.67	123.10	123.62	122.70	123.20	122.67	138.12 (6/1)	115.01 (24/9)	140.52 (28/11/80)	4.402 (1/6/32)

	Nov. 11	Nov. 6	Oct. 28	Year ago (approx)
Ind. div. yield %	6.20	5.18	5.54	4.36
Ind. P/E Ratio	11.95	8.51	8.14	9.34
Long Gov. Bond yield	13.26	13.60	14.70	12.01

	Nov. 13	Nov. 12	Nov. 11	Nov. 10	1981 High	1981 Low
AUSTRALIA						
All Ord. (1/1/80)	570.4	568.2	571.5	576.0	737.3 (6/4)	545.9 (29/10)
Metal & Minrls (1/1/80)	428.8	424.2	431.2	440.1	735.2 (7/1)	410.5 (29/10)
AUSTRIA						
Credit Aktien (2/1/62)	55.17	55.06	55.16	55.15	56.45 (5/1)	53.54 (15/10)
BELGIUM						
Belgian SE (31/12/63)	73.87	73.38	(c)	73.64	96.75 (17/2)	68.53 (16/9)
DENMARK						
Copenhagen SE (1/1/73)	118.75	118.89	118.11	117.34	119.60 (25/9)	95.89 (2/1)
FRANCE						
CAC General (29/12/61)	86.50	86.5	(c)	86.3	112.5 (7/5)	77.5 (15/6)
Ind Tendance (31/12/80)	93.40	92.8	(c)	95.5	108.5 (10/3)	75.2 (12/6)
GERMANY						
FAZ-Aktien (31/12/58)	224.14	222.78	222.71	225.92	245.47 (3/7)	215.88 (9/2)
Commerzbank(Dec 1953)	686.40	681.5	660.7	635.5	749.0 (3/7)	566.4 (16/2)
HOLLAND						
ANP-CBS General (1970)	85.8	83.9	83.4	84.3	86.8 (20/3)	73.5 (28/9)
ANP-CBS Indust (1970)	65.1	65.0	62.9	65.3	72.4 (20/5)	61.5 (30/10)
HONG KONG						
Hang Seng Bank (31/7/64)	1463.82	1415.43	1456.44	1455.47	1810.20 (17/7)	1115.77 (5/10)
ITALY						
Banca Comm Ital (1972)	180.75	188.18	185.99	186.15	282.05 (5/6)	166.44 (24/7)
JAPAN**						
Dow Average (16/5/49)	7569.51	7505.02	7502.59	7529.21	8019.14 (17/8)	6956.52 (15/3)
Tokyo New SE (4/1/68)	556.44	552.83	551.74	553.74	603.52 (17/8)	495.79 (5/1)
NORWAY						
Oslo SE (1/1/72)	134.38	138.75	137.77	138.25	145.72 (6/8)	110.54 (3/6)
SINGAPORE						
Straits Times (1966)	709.61	696.50	692.56	690.42	973.26 (26/6)	615.26 (1/9)
SOUTH AFRICA						
Gold (1958)	609.1	(u)	602.7	615.5	737.6 (7/1)	475.6 (3/7)
Industrial (1958)	660.5	(u)	661.1	664.9	739.4 (21/10)	587.2 (3/2)
SPAIN						
Madrid SE (30/12/80)	150.51	127.65	127.20	127.72	145.15 (6/9)	100.46 (2/1)
SWEDEN						
Jacobson & P. (1/1/58)	628.89	622.44	621.64	618.55	660.51 (10/8)	434.17 (20/1)
SWITZERLAND						
SwissBankCpn. (31/12/58)	245.8	248.0	246.1	246.0	264.2 (2/4)	245.5 (26/10)
WORLD						
Capital Intl. (1/1/70)	—	144.4	143.6	142.5	162.5 (6/1)	133.2 (25/9)

(**) Sat Nov 7: Japan Dow 7,482.23. TSE 552.12.

Base values of all indices are 100 except Australia All Ordinary and Metals—500; NYSE All Common—50; Standard and Poors—10; and Toronto—1,000; the last named based on 1975. † Excluding bonds. ‡ 400 Industrials plus 40 Utilities, 40 Financials and 20 Transports. c Closed. u Unavailable.

Swiss banks concerned at Luxembourg reform plans

BY PETER MONTAGNON IN LONDON AND JOHN WICKS IN ZURICH

LUXEMBOURG IS studying the possibility of changing its banking regulations so as to allow the establishment of Swiss-style fiduciary accounts in the Grand Duchy.

Swiss bankers fear that the move could bring about a shift of some of this growing and lucrative business away from Switzerland, whose parliament is currently examining plans to impose a 5 per cent withholding tax on fiduciary account interest.

Fiduciary business has grown dramatically in recent years as investors have been attracted to the high interest rates payable on Eurocurrency deposits. Fiduciary assets of Swiss banks totalled some SwFr 165bn ($94bn) in mid-1981, nearly 60 per cent more than a year earlier.

Luxembourg officials deny, however, that they intend to steal business away from Switzerland. They say the new fiduciary accounts, which could get the go-ahead some time next year, should be seen merely as one of a number of changes intended to bring Luxembourg banking up to date.

These changes also include a revision of the way gold and precious metals held on clients' accounts by Luxembourg banks are treated in their balance sheets. The intention is to improve security for the client so that if the bank runs into trouble, he can be sure of getting all his gold back, just as securities held by the bank on his account would be returned intact.

Under the Swiss fiduciary system, a client deposits money in a Swiss bank at his own risk. The bank then deposits this money on the client's behalf in the Euromarkets, frequently through banks in Luxembourg. The funds are not carried in the Swiss bank's balance sheet because technically they do not represent risks incurred.

Lxembourg banks do engage in a small amount of fiduciary business, but this usually involves specific transactions requested by established customers for tax reasons. The deposits are carried in their balance sheets.

The changes under consideration would allow Luxembourg banks to attract fiduciary deposits on a broader scale. The deposits would not in future be carried on the balance sheet and therefore they would not affect the banks' gearing ratios.

Boliden forecast cut after poor third quarter

By William Dullforce in Stockholm

BOLIDEN, the Swedish metals and chemicals group, reports a SKr 91m fall in earnings to SKr 140m ($25.5m) for the first nine months. The management has cut back its forecast for 1981 pre-tax profit to SKr 275m from the Skr 415m predicted at the half-way stage. In April Boliden expected to repeat last year's earnings of SKr 430m.

Group sales during the nine months rose by 11.4 per cent to SKr 4.15bn ($754m). Turnover for 1981 as a whole is forecast to reach SKr 5.5bn, slightly less than in 1980.

The unexpected setback in the third quarter, which gave earnings of only SKr 24m compared with SKr 116m for the first half, is attributed to several factors. The improvement in metals prices, on which Boliden had counted for the second half of the year, proved to be short-lived. The recession in the U.S. has dampened demand and stocks are high.

Technical difficulties have continued at the Aitik mine, which supplies about two-thirds of the group's copper output. The loss in ore production is put at 2m tonnes, resulting in a profit setback of SKr 150m. Aitik's problems are expected to be "brought under control" in the beginning of 1982.

The devaluation of the krona in September has reinforced Boliden's competitive position against North American and Australian metal producers, but revaluation of its dollar loans at the end of September took SKr 37m from the nine-month profit.

Opponents lead Colt battle

By Our New York Staff

SHAREHOLDERS opposing Penn Central's takeover bid for Colt Industries, the New York industrial manufacturing company, appear to be winning.

A preliminary count at the end of last week showed the opponents of the deal narrowly leading with 10.2m shares, against 10.1m in favour. However, about 400,000 shares remain to be counted, and by law there must be two days for reviews and challenges

Leading opponents of the merger, which is valued at more than $1bn, include the Hunt oil family of Dallas, and several large institutional shareholders.

Kyoto Ceramic suffers slip in first-half earnings

TOKYO — Kyoto Ceramic Company, a leading manufacturer of ceramic products for the electronic industry, has reported a 2.3 per cent fall in net earnings at parent company level for the first half of its financial year against a background of sluggish demand in the U.S. and some other overseas markets.

Net earnings came to Y6.65bn ($29m) compared with Y6.8bn in the six months to September 30 1980. Sales dipped by 4.9 per cent to Y49.74bn ($216m) from Y52.31bn.

The drop in net earnings stemmed from lower demand for integrated circuit and other microelectronic packages in the U.S. and elsewhere. At the same time, product prices fell because of the drop in the price of gold, which is used in making ceramic packages for electronic products.

Sales of integrated circuit and other packages were down by 3.4 per cent over the year. Meanwhile, ceramic products for use in industrial machinery showed a 28.3 per cent rise in sales.

Exports in the period dropped by 13.3 per cent and the company said that slow demand in the U.S. had led to a drop in the share of exports in overall sales from 48.2 per cent to 44 per cent.
AP-DJ

CURRENCIES, MONEY and GOLD

Rates in the melting pot

BY COLIN MILLHAM

National Westminster Bank caused some surprise at the beginning of last week by cutting its base rate to 15 per cent from 15½ per cent, but the decision appears to have been vindicated largely as a result of a complete change in market sentiment. The gloom and despondency of early October has been replaced with a mood of growing confidence, underpinned by recent events on the other side of the Atlantic.

It was only three weeks ago that a level of 16 per cent looked too low for base rates, but now further cuts are expected before the end of the year. A rate of 14 per cent by the end of December is probably not too much to hope for, although the optimists are talking of even lower figures.

They have been encouraged by the fall of 2 to 3 percentage points in Eurodollar interest rates since the end of October, and the cut of 1½ per cent in U.S. bank prime rates to 16½ per cent.

It was at the end of last month that the slow down in the U.S. economy was graphically illustrated by publication of the leading economic indicators for September, showing a fall of 2.7 per cent, compared with 0.5 per cent in August. Other factors, such as Friday's figures on industrial production, point towards a growing recession in the U.S., and presumably a continuing downward trend in interest rates.

Sterling and the Swiss franc seemed to be the main beneficiaries of the resulting weakness in the dollar, with the pound rising above $1.90, to the highest level since the end of June, while the Swiss authorities took steps to limit the appreciation of their own currency.

Despite lower Swiss interest rates and central bank intervention the D-mark fell to its lowest level against the Swiss franc for over three years.

The interest rate picture for the next few months seems fairly clear, with rates coming off under the influence of the U.S. recession, but the situation thereafter is much less certain. If the U.S. economy begins to pick up at the same time that the Administration is trying to fund a very large budget deficit the downward trend in rates will surely be short-lived.

THE POUND SPOT AND FORWARD

	Day's spread	Close	One month	% p.a.	Three months	% p.a.
U.S.	1.9000-1.9200	1.9070-1.9090	0.27-0.17c pm	1.38	0.60-0.50 pm	1.15
Canada	2.2570-2.2800	2.2670-2.2690	0.45-0.55c dis	−2.64	1.00-1.20dis	−1.94
Nethlnd.	4.60-4.66	4.62½-4.63½	1½-¾c pm	2.59	3½-3 pm	2.81
Belgium	70.60-71.40	71.05-71.15	4-14c dis	−1.52	35-45 dis	−2.25
Denmark	13.57-13.70	13.63½-13.65½	1⅛ore pm-¾ dis	0.38	1¼ pm-½ dis	0.16
Ireland	1.1990-1.2010	1.1960-1.1990	0.19-0.29p dis	−2.41	0.82-0.93dis	−2.92
W. Ger.	4.20½-4.26	4.23½-4.24½	1⅝-1½pf pm	3.89	4⅛-3⅞ pm	3.89
Portugal	121.50-123.25	122.50-122.80	15-235c dis	−12.23	90-455 dis	−8.89
Spain	181.25-133.50	182.30-182.40	20-45c dis	−2.14	40-55 dis	−1.04
Italy	2252-2271	2263½-2265½	11½-14¾lire dis	−6.89	41-45 dis	−7.59
Norway	11.10-11.17	11.12-11.13	1¼ore pm-par	0.67	3-1¾ pm	0.85
France	10.61-10.74	10.66½-10.67½	1¾-2¼c dis	−1.97	7-8 dis	−2.81
Sweden	10.41-10.48	10.43-10.44	2½-1⅞ore pm	2.37	6¾-5¼ pm	2.39
Japan	430-438	433-434	2.80-2.60y pm	7.47	7.60-7.30 pm	6.87
Austria	29.55-29.80	29.67-29.72	14-9gro pm	4.65	29-19 pm	3.23
Switz.	3.33-3.38	3.34-3.35	1¾-1¼c pm	5.38	3⅞-3⅞ pm	4.63

Belgian rate is for convertible francs. Financial franc 78.85-78.95. Six-month forward dollar 0.72-0.62c pm. 12-month 0.80-0.65c pm.

THE DOLLAR SPOT AND FORWARD

Nov 13	Day's spread	Close	One month	% p.a.	Three months	% p.a.
UK†	1.9000-1.9200	1.9070-1.9090	0.27-0.17c pm	1.38	0.60-0.50 pm	1.15
Ireland†	1.5950-1.6020	1.5930-1.6020	0.57-0.47c pm	3.90	1.65-1.55 pm	4.00
Canada	1.1874-1.1897	1.1886-1.1889	0.38-0.42c dis	−4.04	0.85-0.90dis	−2.94
Nethlnd	2.4140-2.4325	2.4275-2.4325	0.37-0.27c pm	1.58	1.15-1.05 pm	1.81
Belgium	37.12-37.29	37.27-37.29	5-8c dis	−2.09	26-30 dis	−3.00
Denmark	7.1175-7.1440	7.1225-7.1275	0.15-0.40ore dis	−0.46	1.10-1.60dis	−0.76
W. Ger.	2.2070-2.2270	2.2205-2.2215	0.50-0.45pf pm	2.57	1.60-1.55 pm	2.84
Portugal	64.00-64.50	64.25-64.50	30-120c dis	−13.98	70-250 dis	−9.94
Spain	95.30-95.45	95.30-95.35	20-35c dis	−3.46	55-75 dis	−2.73
Italy	1182-1186	1184½-1186	7½-8½lire dis	−6.09	25-27 dis	−8.76
Norway	5.8270-5.8340	5.8310-5.8340	par-½ore dis	−0.51	par-½ dis	−0.17
France	5.5650-5.6225	5.5900-5.5950	1.30-1.50c dis	−2.99	5.30-5.70dis	−3.92
Sweden	5.4640-5.4770	5.4740-5.4770	par-0.20ore dis	−0.22	0.40-0.20 pm	0.22
Japan	226.75-227.75	227.20-227.30	1.25-1.10y pm	6.20	3.50-3.25 pm	5.94
Austria	15.51-15.54	15.51½-15.52½	5-3½gro pm	3.29	10½-6½ pm	2.19
Switz.	1.7500-1.7690	1.7520-1.7530	0.72-0.62c pm	4.59	1.77-1.67 pm	3.92

† UK and Ireland are quoted in U.S. currency. Forward premiums and discounts apply to the U.S. dollar and not to the individual currency.

GOLD

	Nov. 13		Nov. 12	
Gold Bullion (fine ounce)				
Close	$411½-412½	(£215¼-215¾)	$410-411	(£216¼-216¾)
Opening	$414½-415½	(£216½-217)	$412-413	(£218½-219)
Morning fixing	$414	(£217.152)	$412.25	(£218.526)
Afternoon fixing	$412.50	(£215.517)	$411.50	(£217.875)
Gold Coins				
Krugerrand	$425-426	(£222¼-222¾)	$422½-423½	(£225-225½)
1/2 Krugerrand	$218½-219½	(£114¼-114¾)	$218-219	(£115-115½)
1/4 Krugerrand	$111½-112½	(£58¼-58¾)	$111-112	(£58½-59)
1/10 Krugerrand	$45½-46½	(£23¾-24¼)	$45¼-46¼	(£23¾-24½)
Mapleleaf	$424-426	(£221¾-222¾)	$422-424	(£222½-223½)
New Sovereigns	$101-102	(£52¾-53¼)	$100½-101	(£53-53½)
King Sovereigns	$107-109	(£56-57)	$107-109	(£56½-57½)
Victoria Sovs	$107-109	(£56-57)	$107-109	(£56½-57½)
French 20s	$91-101	(£47½-52¾)	$90-100	(£47½-52)
50 pesos Mexico	$511-514	(£267¼-268¾)	$508-511	(£268-269½)
100 Cor. Austria	$400-403¾	(£209¼-211¼)	$397-401	(£209½-211½)
$20 Eagles	$506-511	(£264½-267¼)	$505-510	(£266½-269½)

OTHER CURRENCIES

Nov. 13	£	$		£ Note Rates
Argentina Peso	12,523-12,543†	6439-6459†	Austria	29.45-29.75
Australia Dollar	1.6695-1.6715	0.8740-0.8745	Belgium	78-79
Brazil Cruzeiro	222.53-223.53	116.33-116.91	Denmark	13.57-13.71
Finland Markka	8.276-8.289	4.3335-4.3355	France	10.60-10.75
Greek Drachma	104.240-107.400	55.85-56.05	Germany	4.20¾-4.24¾
Hong Kong Dollar	10.73½-10.80½	5.63-5.66	Italy	2255-2305
Iran Rial	148.75*	79.40*	Japan	433-438
Kuwait Dinar (KD)	0.536-0.542	0.2810-0.2812	Netherlands	4.59½-4.64½
Luxembourg Fr	71.05-71.15	37.27-37.29	Norway	11.09-11.19
Malaysia Dollar	4.2820-4.2920	2.2450-2.2460	Portugal	120-131
New Zealand Dlr.	2.2990-2.3030	1.2045-1.2055	Spain	178¾-189½
Saudi Arab. Riyal	6.52-6.58	3.4160-3.4190	Sweden	10.42-10.52
Singapore Dollar	3.91-3.92	2.0500-2.0530	Switzerland	3.33½-3.36¾
Sth. African Rand	1.8315-1.8335	0.9600-0.9610	United States	1.90-1.92
U.A.E. Dirham	7.00-7.06	3.6715-3.6735	Yugoslavia	81-87

†Rate given for Argentina is the commercial rate. The financial rate for sterling is 24,995-25,015 and for the dollar 13,050-13,100.

EURO-CURRENCY INTEREST RATES (Market closing Rates)

Nov. 13	Sterling	U.S. Dollar	Canadian Dollar	Dutch Guilder	Swiss Franc	West German Mark	French Franc	Italian Lira	Belgian Franc Convertible	Japanese Yen
Short term	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
7 days' notice	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Month	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Three months	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Six months	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
One Year	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

SDR linked deposits: [illegible]. ECU linked deposits: [illegible]. Asian $ (closing rates in Singapore): [illegible]. Long-term Eurodollar [illegible]. The following nominal rates were quoted for London dollar certificates of deposit: one month 12.80-13.00 per cent; three months 12.85-13.05 per cent; six months 13.00-13.10 per cent; one year 13.50-13.60 per cent.

FT LONDON INTERBANK FIXING (11.00 a.m. NOVEMBER 13)

3 months U.S. dollars		6 months U.S. dollars	
bid 13 7/16	offer 13 9/16	bid 13 9/16	offer 13 11/16

The fixing rates are the arithmetic means, rounded to the nearest one-sixteenth, of the bid and offered rates for $10m quoted by the market to five reference banks at 11 am each working day. The banks are National Westminster Bank, Bank of Tokyo, Deutsche Bank, Banque Nationale de Paris and Morgan Guaranty Trust.

LONDON MONEY RATES

Nov. 13 1981	Sterling Certificate of deposit	Interbank	Local Authority deposits	Local Auth. negotiable bonds	Finance House Deposits	Company Deposits	Discount Market Deposits	Treasury Bills ♦	Eligible Bank Bills ♦	Fine Trade Bills ♦
Overnight	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
2 days notice	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
7 days or	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
7 days notice	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
One month	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Two months	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Three months	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Six months	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Nine months	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
One year	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Two years	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

Local authorities and finance houses seven days' notice, others seven days fixed. Long-term local authority mortgage rates nominally three years [illegible] per cent; four years [illegible] per cent; five years [illegible] per cent. ♦Bank bill rates in table are buying rates for prime paper. Buying rates for four month bank bills [illegible] per cent; four month trade bills [illegible] per cent. Approximate selling rate for one month Treasury bills [illegible] per cent; two months [illegible] per cent; three months [illegible] per cent. Approximate selling rate for one month bank bills [illegible] per cent; two months [illegible] per cent; and three months [illegible] per cent; one month trade bills [illegible] per cent; two months [illegible] per cent; three months [illegible] per cent.

Finance Houses Base Rates (published by the Finance Houses Association) 16 per cent from November 1 1981. Clearing Bank Deposit Rates for sums at seven days' notice 14 per cent. Clearing Bank Rates for lending 15½ per cent. Treasury Bills: Average tender rate of discount 13.8380 per cent.

CURRENCY RATES

Nov. 13	Bank rate %	Special Drawing Rights	European Currency Unit
Sterling	—	0.612060	0.578520
U.S. $	13	1.16540	1.10468
Canadian $	15.13	1.38878	1.31292
Austria Sch.	6¾	18.0982	17.1530
Belgian F	13	45.3063	43.0263
Danish Kr	11	8.31804	7.87639
D mark	7½	2.59288	2.44411
Guilder	9	2.82885	2.67278
French Fr	9½	6.50235	6.16082
Lira	19	1378.96	1307.12
Yen	5½	264.546	250.951
Norwgn. Kr	9	6.79994	6.44617
Spanish Pts	8	111.121	105.332
Swedish Kr	11	6.37299	6.04704
Swiss Fr	6	2.04994	[illegible]
Greek Dr'ch	20½	—	61.8623

RECENT ISSUES

EQUITIES

Issue price p	Amount Paid up	Latest Renunc. Date	1981 High	1981 Low	Stock	Closing price p	+ or −	Div. p. or amount	Times covered	Gross yield	P.E. ratio
§70	F.P.	—	73	70	✣Acois Jewellery	72	−1	u3.7	2.0	7.3	(7.8)
—	F.P.	—	850	775	✣Asprey	775	−25	35.0	3.3	6.6	5.6
168	F.P.	—	205	195	Cable & Wireless 50p	198	−1	b6.5	2.0	4.5	15.7
§90	F.P.	—	105	100	✣Feedback 10p	100	......	b2.0	3.0	2.9	16.7
§50	F.P.	—	50	46	✣Gr'nw'hCable&Cm.	46	−1	—	—	—	—
§101½	F.P.	—	17	14	✣Humberside El. 10p	17	......	—	—	—	—
63	F.P.	2/12	76	69	✣JohnstonesP'int10p	75	−1	b4.55	2.5	6.7	7.8
§67	F.P.	18/12	69	68	✣Sheldon Jones	70	+1	u5.5	2.4	7.1	7.9
§62	F.P.	—	64	60	✣V.W.	60	......	bd5.84	2.3	9.1	5.6

"RIGHTS" OFFERS

Issue price p	Amount paid up	Latest Renunc. date	1981 High	1981 Low	Stock	Closing price p	+ or −
14	F.P.	30/10 20/11	20	17	British Benzol	19	......
275	125p	13/7 2/12	182	104	BP	160	+2
20	F.P.	13/11 11/12	25	20¾	Brown & Jackson	25	+1
182	F.P.	23/10 27/11	191	182	Foseco Minsep	189	+2
90	F.P.	21/10 26/11	109	90½	Heelamat	106	......
14	Nil	— —	5pm	4pm	Lancaster (D.M.)	5pm	+1
126	Nil	— —	17pm	15pm	Northern Foods	15pm	−2
50cts	Nil	— —	115pm	110pm	T N T	115pm	+5
250	F.P.	22/10 19/11	320	260	Viner's Units†	310	−5
20	F.P.	13/11 15/12	41	33	Websters	40	......

FIXED INTEREST STOCKS

Issue price £	Amount paid up	Latest Renunc. date	1981 High	1981 Low	Stock	Closing price £	+ or −
1	F.P.	26/10	[illegible]	[illegible]	Asprey 9½% Cum. Prf.	[illegible]	[illegible]
¶¶	[illegible]	[illegible]	[illegible]	[illegible]	Austin (F.) Leyton [illegible]	[illegible]	[illegible]
100	[illegible]	10/12	[illegible]	[illegible]	Brooke Bond Leibig [illegible]	[illegible]	[illegible]
¶¶	[illegible]	[illegible]	[illegible]	[illegible]	Cater Ryder [illegible]	[illegible]	[illegible]
**	[illegible]	[illegible]	[illegible]	[illegible]	E. Worcs Waterworks [illegible]	[illegible]	[illegible]
$100	[illegible]	[illegible]	[illegible]	[illegible]	Hawley Leisure [illegible]	[illegible]	[illegible]
51p	[illegible]	[illegible]	[illegible]	[illegible]	Inchcape [illegible]	[illegible]	[illegible]
$100	[illegible]	[illegible]	[illegible]	[illegible]	Nat'wide Bdg. Society [illegible]	[illegible]	[illegible]
97.29	[illegible]	[illegible]	[illegible]	[illegible]	Nova Scotia [illegible]	[illegible]	[illegible]
‖£1	[illegible]	13/11	[illegible]	[illegible]	Staffs. Pots. [illegible]	[illegible]	[illegible]
—	[illegible]	[illegible]	[illegible]	[illegible]	Sterling Credit Warrants	[illegible]	[illegible]
100	£10	10/12	[illegible]	[illegible]	Tenderin [illegible]	[illegible]	[illegible]

Renunciation date usually last day for dealing free of stamp duty. [illegible]

UK COMPANIES IN BRIEF

W. A. TYZACK (precision engineering components maker)—Results for year to July 31 1981 reported November 5. Shareholders funds £2.52m (£2.81m); fixed assets £1.14m (same); decrease in working capital £442,060 (£116,242); current cost taxable losses £372,000 (against historic losses of £249,579). Chairman says he believes that 1981-82 will show a significant improvement on last year. Meeting: Sheffield, December 7, 10.30 am.

BERRY TRUST—Results for year to August 31 1981 already known. Shareholders' funds £32.91 (£21.3m). Loans £5.88m (£2.54m). Fixed assets £38.86m (£23.65m). Net current liabilities £65,685 (£215,021 assets), including bank overdrafts £248,323 (nil). Meeting, Park House, EC, December 11, 12.30 pm.

LOCAL AUTHORITY BOND TABLE

Authority (telephone number in parentheses)	Annual gross interest %	Interest payable	Minimum sum £	Life of bond Years
Knowsley (051-548 6555)	14½	½-year	1,000	3-4

FT UNIT TRUST INFORMATION SERVICE

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Adirenta	DM19.25	19.83	+0.07	—
Adiverba	DM48.92	51.37	+0.42	—
Fondak	DM27.42	28.78	+0.20	—
Fondis	DM22.72	23.86	+0.13	—

Eurobond Holdings N.V.
Pietermaai 15, Willemstad, Curacao.
London Agents: Intel 15 Christopher St., EC2
Tel: 01-377 1040. Telex 8814408.

Euro Hldgs.	US$20.22	20.87	......	9.50

S.G. Europe Obligations S.A.
9, Avenue de la Liberte, Luxembourg
London Agent: FFS, Salisbury Hse, London Wall EC2M 5TA. Tel. 01-920 0776 Telex 887281

Europe-Obligations	US$45.51	+0.27	1.80

Eurotax Investments Ltd.
1, Athol St., Douglas, Isle of Man.
UK Agents FIS, St. Albans. 0727 33166

[illegible]

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OIL AND GAS—Continued

OVERSEAS TRADERS

RUBBERS AND SISALS

TEAS

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MINES—Continued

Australian

Dividends Paid		Stock	Price	Last xd	Div Net	C'vr	Y'ld Gr's
—		Acmex 50c	45	—	Q2.5c	—	3.5
—		ACM 20c	21	—	—	—	—
—		Argosy Gold NL 25c	11	—	—	—	—
—		Bond Corp.	158	—	Q10c	2.3	4.0
Nov.	Apr.	Bougainville I Kina	68	7.3	‡Q25.4c	1.8	‡
—		CRA 50c	174	16.3	Q19c	1.7	6.6

Tins

Copper

Miscellaneous

Dividends Paid		Stock	Price	Last xd	Div Net	C'vr	Y'ld Gr's
—		Colby Res. Corp.	140	—	—	—	—
Aug.	Feb.	Cons. Murch. 10c	280	30	‡Q30c	1.8	6.1
—		††Explaura Gold	7	—	—	—	—
—		††Hemerdon 10c	57	—	—	—	—
—		Highwood Res.	85	—	—	—	—
—		Northgate C$1	300	9.77	—	—	—
Jan.	July	R.T.Z.	470xd	9.11	16.0	2.3	4.9
—		Do.9¼%Cv.Uns.'95-2000	£107½	18.5	Q9½%	—	f9.1
—		††SPO Minerals 10p	25	—	—	—	—
—		Sabina Inds. C$1	23	—	—	—	—
—		‡Southwest C. 10p	27	—	—	—	—
—		Tara Exptn. $1	625	—	—	—	—

NOTES

Unless otherwise indicated, prices and net dividends are in pence and denominations are 25p. Estimated price/earnings ratios and covers are based on latest annual reports and accounts and, where possible, are updated on half-yearly figures. P/Es are calculated on "net" distribution basis, earnings per share being computed on profit after taxation and unrelieved ACT where applicable: bracketed figures indicate 10 per cent or more difference if calculated on "nil" distribution. Covers are based on "maximum" distribution; this compares gross dividend costs to profit after taxation, excluding exceptional profits/losses but including estimated extent of offsettable ACT. Yields are based on middle prices, are gross, adjusted to ACT of 30 per cent and allow for value of declared distribution and rights.

- ● "Tap" Stock.
- * Highs and Lows marked thus have been adjusted to allow for rights issues for cash.
- † Interim since increased or resumed.
- ‡ Interim since reduced, passed or deferred.
- ‡‡ Tax-free to non-residents on application.
- ϕ Figures or report awaited.
- ♦ USM; not listed on Stock Exchange and company not subjected to same degree of regulation as listed securities.
- †† Dealt in under Rule 163(2)(a); not listed on any Stock Exchange and not subject to any listing requirements.
- ‡‡ Dealt in under Rule 163(3).
- ♯ Price at time of suspension.
- ¶ Indicated dividend after pending scrip and/or rights issue: cover relates to previous dividend or forecast.
- ♦ Merger bid or reorganisation in progress.
- ♣ Not comparable.
- ♠ Same interim: reduced final and/or reduced earnings indicated.
- § Forecast dividend; cover on earnings updated by latest interim statement.
- ‡ Cover allows for conversion of shares not now ranking for dividends or ranking only for restricted dividend.
- ★ Cover does not allow for shares which may also rank for dividend at a future date. No P/E ratio usually provided.
- ǁ No par value.

§§ Yield based on assumption Treasury Bill Rate stays unchanged until maturity of stock. ☆☆ Available only to UK pension schemes and insurance companies engaged in pension business. a Tax free. b Figures based on prospectus or other official estimate. c Cents. d Dividend rate paid or payable on part of capital; cover based on dividend on full capital. e Redemption yield. f Flat yield. g Assumed dividend and yield. h Assumed dividend and yield after scrip issue. j Payment from capital sources. k Kenya. m Interim higher than previous total. n Rights issue pending. q Earnings based on preliminary figures. s Dividend and yield exclude a special payment. t Indicated dividend: cover relates to previous dividend, P/E ratio based on latest annual earnings. u Forecast dividend: cover based on previous year's earnings. v Tax free up to 30p in the £. y Dividend and yield based on merger terms. z Dividend and yield include a special payment: Cover does not apply to special payment. A Net dividend and yield. B Preference dividend passed or deferred. C Canadian. E Minimum tender price. F Dividend and yield based on prospectus or other official estimates for 1981-82. G Assumed dividend and yield after pending scrip and/or rights issue. H Dividend and yield based on prospectus or other official estimates for 1982. K Figures based on prospectus or other official estimates for 1981-82. M Dividend and yield based on prospectus or other official estimates for 1983. N Dividend and yield based on prospectus or other official estimates for 1981. P Figures based on prospectus or other official estimates for 1982. Q Gross. T Figures assumed. Z Dividend total to date.

Abbreviations: xd ex dividend; xc ex scrip issue; xr ex rights; xa ex all; xt ex capital distribution.

REGIONAL MARKETS

The following is a selection of London quotations of shares previously listed only in regional markets. Prices of Irish issues, most of which are not officially listed in London, are as quoted on the Irish exchange.

			IRISH		
Albany Inv. 20p	40	......	Conv. 9% '80/82	£99	......
Bertrams	10	......	Nat. 9¾% 84/89	£70½	+½
Bdg'wtr. Est. 50p	495	......	Fin. 13% 97/02	£75½	+⅝
Craig & Rose £1	£15	......	Alliance Gas	79½	+3½
Finlay Pkg. 5p	23	......	Arnott	222	......
Graig Ship. £1	£21xd	......	Carroll (P.J.)	80	......
Higsons Brew	64	......	Concrete Prods.	90	......
Holt (Jos) 25p	510	......	Heiton (Hldgs.)	23	−½
I.O.M. Stm. £1	150	......	Irish Ropes	38	......
Pearce (C. H.)	830	+30	Jacob	63	......
Peel Hldgs.	120	......	T.M.G.	21½	......

OPTIONS

3-month Call Rates

Distillers	16	Plessey	26	Charterhall	6
Dunlop	6½	Racal Elect.	34	KCA	12
Eagle Star	25	R.H.M.	5	Premier	7
F.N.F.C.	4	Rank Org. Ord.	14	Shell	28
Gen. Accident	30	Reed Intnl.	23	Tricentrol	25
Gen. Electric	55	Sears	5	Ultramar	40
Glaxo	52	Tesco	5	Mines	
Grand Met.	15	Thorn EMI	30		
G.U.S. 'A'	30	Trust Houses	11	Charter Cons.	21
Guardian	30	Tube Invest.	32	Cons. Gold	46
G.K.N.	12	Turner & Newall.	7½	Lonrho	7
Hawker Sidd.	25	Unilever	50	Rio T. Zinc	46

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BRITISH FUNDS

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Interest Due		Stock	Price £	Last xd	Yield Int.	Yield Red.
15Jul	15Ja	Treas. 8½pc '80-82‡‡	98[illegible]	8.6	9.44	14.37
15Aug	15F	Treasury 3pc '82‡‡	97[illegible]	9.7	3.08	14.13
16S	16Mar	Treasury 14pc '82‡‡	99⅞	10.8	14.01	14.24
15D	15Jun	Treas. Variable '82§§	99[illegible]xd	11.5	13.89	15.89
5Ja	5Jul	Treasury 8¼pc '82	96½	1.6	8.54	14.09
22Mar	22S	Exch. 9¼pc 1982	95⅞	17.8	9.64	14.48
5Jul	5Ja	Exch. 8¾pc 1983	95⅛	1.6	9.19	13.41
21Aug	21F	Exch. 3pc 1983	89⅞	15.7	3.34	11.79
17S	17Mar	Treasury 12pc 1983‡‡	97¼	11.8	12.33	14.30
24N	24May	Treas. Variable '83 §§	99[illegible]xd	19.10	13.41	15.74
18Ja	18Jul	Treasury 9¼pc '83	93¼	11.6	9.91	13.86
22May	22N	Exch. 13½pc '83	98[illegible]xd	16.10	13.76	14.62
12Jun	12D	Exch. 10pc 1983	92[illegible]xd	5.11	10.82	14.42
15Jul	15Ja	Funding 5½pc '82-84‡‡	85¾	8.6	6.41	13.24
20Aug	20F	Exch. 11¼pc 1984	93¼	14.7	12.07	14.79
22N	22May	Exchequer 14pc 1984	99[illegible]xd	16.10	14.12	14.46
19D	19Jun	Exch. 3pc 1984	78[illegible]xd	13.5	3.75	12.87
26Mar	26S	Treasury 12pc 1984	94¼	20.8	12.73	14.49
22Aug	22F	Treasury 15pc 1985	99⅝	16.7	15.05	15.08
22S	22Mar	Exch. 12pc Cnv. '85	91⅞	17.8	13.06	15.17
21N	21May	Treasury 3pc 1985	72[illegible]xd	15.10	4.13	13.06
15Jan	15Jul	Treasury 11½pc 1985	88⅞	—	12.95	15.56
22May	22N	Exch. 12¼pc 1985	91[illegible]xd	16.10	13.33	15.02
25 Aug	25F	Exch. 11¾pc '86	88⅞	20.7	13.22	15.34
19N	19May	Treasury 3pc 1986	68[illegible]xd	—	4.37	12.28
12D	12Jun	Treasury 12pc '86	89[illegible]xd	5.11	13.35	15.18
10Ja	10Jul	Treasury 8½pc '84-86‡‡	81⅝	3.6	10.41	13.98
29Apr	29Oct	Exchequer 14pc 1986●	£95¾	—	14.60	15.27

Five to Fifteen Years

[illegible]

Over Fifteen Years

[illegible]

Undated

[illegible]

INT. BANK AND O'SEAS GOVT. STERLING ISSUES

[illegible]

CORPORATION LOANS

[illegible]

COMMONWEALTH AND AFRICAN LOANS

[illegible]

LOANS

Public Board and Ind.

[illegible]

Financial

[illegible]

Building Societies

[illegible]

FOREIGN BONDS & RAILS

[illegible]

AMERICANS

[illegible]

CANADIANS

[illegible]

CANADIANS—Continued

[illegible]

BANKS AND HIRE PURCHASE

[illegible]

Hire Purchase, etc.

[illegible]

BEERS, WINES AND SPIRITS

[illegible]

BUILDING INDUSTRY, TIMBER AND ROADS

[illegible]

BUILDING INDUSTRY—Contd.

[illegible]

CHEMICALS, PLASTICS

[illegible]

DRAPERY AND STORES

[illegible]

ELECTRICALS

[illegible]

ELECTRICALS—Continued

[illegible]

ENGINEERING MACHINE TOOLS

[illegible]

FOOD, GROCERIES, ETC.

[illegible]

FOOD, GROCERIES—Cont.

[illegible]

HOTELS AND CATERERS

[illegible]

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[illegible]

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OIL AND GAS—Continued

OVERSEAS TRADERS

RUBBERS AND SISALS

TEAS

Indian and Bangladesh

Sri Lanka

Africa

MINES

Central Rand

Eastern Rand

Far West Rand

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MINES—Continued

Australian

Dividends Paid		Stock	Price	Last xd	Div Net	C'vr	Y'ld Gr's
—		Acmex 50c	45	—	Q2.5c	—	3.5
—		ACM 20c	21	—	—	—	—
—		Argosy Gold NL 25c	11	—	—	—	—
—		Bond Corp.	158	—	Q10c	2.3	4.0
Nov.	Apr.	Bougainville 1 Kina	68	7.3	‡Q25.4c	1.0	‡
—		CRA 50c	174	16.3	Q19c	1.7	6.6
—		Canada Northwest	10	—	—	—	—

Tins

Copper

Miscellaneous

Dividends Paid		Stock	Price	Last xd	Div Net	C'vr	Y'ld Gr's
—		Colby Res. Corp.	140	—	—	—	—
Aug.	Feb.	Cons. Murch. 10c.	280	30.6	†Q30c	1.8	6.1
—		††Explaura Gold	7	—	—	—	—
—		††Hemerdon 10c.	57	—	—	—	—
—		Highwood Res.	85	—	—	—	—
—		Northgate C$1	300	9.77	—	—	—
Jan.	July	R.T.Z.	470xd	9.11	16.0	2.3	4.9
—		Do. 9½%Cn.Un.Ln.'95-2000	£107½	18.5	Q9½%	—	f9.1
—		††SPO Minerals 10p	25	—	—	—	—
—		Sabina Inds. C$1	23	—	—	—	—
—		‡Southwest C. 10p	27	—	—	—	—
—		Tara Expln. $1	625	—	—	—	—

NOTES

Unless otherwise indicated, prices and net dividends are in pence and denominations are 25p. Estimated price/earnings ratios and covers are based on latest annual reports and accounts and, where possible, are updated on half-yearly figures. P/Es are calculated on "net" distribution basis, earnings per share being computed on profit after taxation and unrelieved ACT where applicable; bracketed figures indicate 10 per cent or more difference if calculated on "nil" distribution. Covers are based on "maximum" distribution; this compares gross dividend costs to profit after taxation, excluding exceptional profits/losses but including estimated extent of offsettable ACT. Yields are based on middle prices, are gross, adjusted to ACT of 30 per cent and allow for value of declared distribution and rights.

- ● "Tap" Stock.
- * Highs and Lows marked thus have been adjusted to allow for rights issues for cash.
- † Interim since increased or resumed.
- ‡ Interim since reduced, passed or deferred.
- ‡‡ Tax-free to non-residents on application.
- ♦ Figures or report awaited.
- ‡ USM; not listed on Stock Exchange and company not subjected to same degree of regulation as listed securities.
- †† Dealt in under Rule 163(2)(a); not listed on any Stock Exchange and not subject to any listing requirements.
- ‡‡ Dealt in under Rule 163(3).
- # Price at time of suspension.
- ¶ Indicated dividend after pending scrip and/or rights issue: cover relates to previous dividend or forecast.
- ♦ Merger bid or reorganisation in progress.
- ‡ Not comparable.
- ♦ Same interim: reduced final and/or reduced earnings indicated.
- § Forecast dividend; cover on earnings updated by latest interim statement.
- ‡ Cover allows for conversion of shares not now ranking for dividends or ranking only for restricted dividend.
- ☆ Cover does not allow for shares which may also rank for dividend at a future date. No P/E ratio usually provided.
- ‖ No par value.
- §§ Yield based on assumption Treasury Bill Rate stays unchanged until maturity of stock. ☆☆ Available only to UK pension schemes and insurance companies engaged in pension business. a Tax free. b Figures based on prospectus or other official estimate. c Cents. d Dividend rate paid or payable on part of capital; cover based on dividend on full capital. e Redemption yield. f Flat yield. g Assumed dividend and yield. h Assumed dividend and yield after scrip issue. j Payment from capital sources. k Kenya. m Interim higher than previous total. n Rights issue pending. q Earnings based on preliminary figures. s Dividend and yield exclude a special payment. t Indicated dividend: cover relates to previous dividend, P/E ratio based on latest annual earnings. u Forecast dividend: cover based on previous year's earnings. v Tax free up to 30p in the £. y Dividend and yield based on merger terms. z Dividend and yield include a special payment: Cover does not apply to special payment. A Net dividend and yield. B Preference dividend passed or deferred. C Canadian. E Minimum tender price. F Dividend and yield based on prospectus or other official estimates for 1981-82. G Assumed dividend and yield after pending scrip and/or rights issue. H Dividend and yield based on prospectus or other official estimates for 1982. K Figures based on prospectus or other official estimates for 1981-82. M Dividend and yield based on prospectus or other official estimates for 1983. N Dividend and yield based on prospectus or other official estimates for 1981. P Figures based on prospectus or other official estimates for 1982. Q Gross. T Figures assumed. Z Dividend total to date.

Abbreviations: xd ex dividend; xc ex scrip issue; xr ex rights; xa ex all; xd ex capital distribution.

REGIONAL MARKETS

The following is a selection of London quotations of shares previously listed only in regional markets. Prices of Irish issues, most of which are not officially listed in London, are as quoted on the Irish exchange.

			IRISH		
Albany Inv. 20p	40	......	Conv. 9% '80/82	£95	......
Bertrams	10	......	Nat. 9¾% 84/89	£70¾	+½
Bdg'wtr. Est. 50p	405	......	Fin. 13% 97/02	£75¾	+⅝
Craig & Rose £1	£13	......	Alliance Gas	79½	+3½
Finlay Pkg. 5p	23	......	Arnott	222	......
Graig Ship. £1	£21xd	......	Carroll (P.J.)	88	......
Higsons Brew	64	......	Concrete Prods.	90	......
Holt (Jos) 25p	510	......	Helton (Hldgs.)	23	−½
I.O.M. Stm. £1	150	......	Irish Ropes	38	......
Pearce (C. H.)	830	+30	Jacob	63	......
Peel Hldgs.	120	......	T.M.G.	21½	......
Sheff. Refrshmt	90	......	Unidare	56	......
Sindall (Wm.)	190	......			

OPTIONS

3-month Call Rates

Industrials					
		House of Fraser	13	Utd. Drapery	6½
A. Brew	6½	I.C.I.	18	Vickers	15
BOC Intl.	11	"Imps"	5	Woolworths	4½
B.S.R.	7½	I.C.L.	5		
Babcock	9	Ladbroke	13	**Property**	
Barclays Bank	56	Legal & Gen.	20	Brit. Land	7
Beecham	17	Lex Service	9	Cap. Counties	10
Blue Circle	38	Lloyds Bank	28	Land Secs.	30
Boots	18	"Lofs"	3½	MEPC	28
Bowaters	19	London Brick	6½	Peachey	15
Brit. Aerospace	27	Lucas Inds.	28	Samuel Props.	13
B.A.T.	28	"Mams"	11	Town & City	2¼
Brown (J.)	8	Mrks. & Spncr	10		
Burton Ord.	12	Midland Bank	26	**Oils**	
Cadburys	8	N.E.I.	7		
Courtaulds	5½	Nat. West. Bank	30	Brit. Petroleum	28
Debenhams	7	P & O Dfd.	9	Burmah Oil	11
Distillers	16	Plessey	26	Charterhall	6
Dunlop	6½	Racal Elect.	34	KCA	12
Eagle Star	25	R.H.M.	5	Premier	7
F.N.F.C.	4	Rank Org. Ord.	14	Shell	28
Gen. Accident	30	Reed Intnl.	23	Tricentrol	25
Gen. Electric	55	Sears	5	Ultramar	40
Glaxo	32	Tesco	5		
Grand Met.	15	Thorn EMI	30	**Mines**	
G.U.S. 'A'	33	Trust Houses	11	Charter Cons.	21
Guardian	30	Tube Invest.	12	Cons. Gold	48
G.K.N.	12	Turner & Newall.	7½	Lonrho	7
Hawker Sidd	25	Unilever	50	Rio T. Zinc	45

"Recent Issues" and "Rights" Page 30

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FINANCIAL TIMES

Monday November 16 1981

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Surcharge on credit cards may be barred

By Elinor Goodman, Political Correspondent

THE *Trade Department* is believed to have decided against implementing for the present the Monopoly Commission's recommendation on credit cards.

Mrs Sally Oppenheim, the Consumer Affairs Minister, is expected to tell other ministers soon that her department believes it would be wrong to force credit-card operators to drop the so-called non-discrimination clauses in their contracts. The clauses prevent retailers charging higher prices for credit-card transactions than for cash.

Instead, the department is believed to argue the matter would be better left to voluntary negotiation and that the director-general of Fair Trading should be asked to keep a watching brief. One possibility, discussed with credit-card companies, is that operators should reduce commission they charge to retailers.

If other ministers accept this recommendation it will mean those retailers who surcharge credit-card transactions will have to drop the surcharge and reintroduce the charging of credit-card customers the same price as cash customers.

The overturning of a recommendation of the Monopolies Commission would be unusual. After lengthy discussion, however, trade ministers seem to have concluded that implementing the report would create more problems than it would solve.

The commission recommended more than a year ago that credit-card companies such as Barclaycard and Access should be made to drop from their contracts those clauses which prevent retailers charging customers more for credit-card sales than for cash.

The commission argued that retailers had to recoup the fee they paid to the credit-card companies somehow, and that, as a result, cash-customers were in effect subsidising credit-customers.

The report was welcomed by many petrol-retailers who used it immediately to justify putting a surcharge on credit-card sales. It put the Government, however, in a difficult position. Its implementation would almost certainly result in retailers raising prices to credit-card customers rather than lowering them for cash-customers. No Government wants to be blamed for price rises.

Moreover, it would put Britain out of line with other countries. In most countries in which credit-card companies operate, retailers are prevented from charging credit-card users extra.

Labour braced for more feuds

BY ELINOR GOODMAN, POLITICAL CORRESPONDENT

IN SPITE OF renewed pleas for unity from Mr Michael Foot, the Labour leader, Labour's internal feuding looked set yesterday to enter a new phase, with the Left trying to regroup its divided forces, and the centre Right trying to reverse some of the Left's earlier victories.

A group of Mr Tony Benn's closest supporters decided at *the weekend it was essential* that Mr Denis Healey should be challenged for the deputy leadership next year. The executive of the Campaign for Labour Party Democracy, one of the key organisation's behind Mr Benn's deputy leadership bid this year, agreed on Saturday to put a motion before its annual general meeting next month calling for another deputy leadership contest next year, as part of its continued campaign to make MPs more accountable to Labour Party activists.

The CDLP may not, however, ask Mr Benn to stand this time. In the aftermath of his narrow failure to beat Mr Healey, his supporters have been seriously weakened by internal disagreements. Within the CDLP there are some who believe that the contest should not be allowed *to get bogged down in personalities* this year.

The decision of the CDLP executive to back another deputy leadership contest was in sharp contrast to that taken by another group of the Left, the Labour Co-ordinating Committee, which decided last weekend to reserve judgment on the issue. It will come as a blow to Mr Foot, who said yesterday, in his first interview since disowning Mr Benn on Friday, that it would be "almost criminal" if the feuding continued for another year as a result of another deputy leadership contest.

MR BOB MELLISH, the former Labour chief whip, confirmed last night that he would be stepping down as MP for Bermondescy next year. Mr Foot had hoped Mr Mellish to stay on to avoid a by-election in a seat the SDP might win.

Meanwhile, in another indication of the pressures on Mr Foot, MPs to the Right of the party, belonging to the Solidarity group at Westminster, are preparing to mount a new campaign against the Left. Eefforts are to be made to persuade Mr Foot to back moves to deal with "entryism" of the party by extremists with no commitment to Labour.

Morale among most Labour MPs has risen dramatically since Mr Foot withdrew his support for Mr Benn on Friday. Mr Benn now looks like getting a derisory vote in the shadow Cabinet elections on Thursday. But this could create problems if it is seen in local parties as further evidence of the split between the Parliamentary Party and the party outside Westminster.

Mr Foot's strategy of giving Mr Benn every possible chance to rehabiliate himself within the shadow Cabinet infuriated right-wingers last week, but in the short term at least, Mr Foot's tactics do seem to have succeeded in isolating Mr Benn.

Australian property may net Crown Agents £242m

BY PAUL CHEESERIGHT, WORLD TRADE EDITOR

THE CROWN AGENTS are likely to place on the market this week a portfolio of Australian properties with a book value of £109.1m and a possible market value of A$400m (£242m).

Any sale would mark significant progress in the efforts of the Crown Agents to withdraw from the property and secondary banking sectors, where involvement between 1967 and 1974 led to losses of more than £200m.

The properties are held by Abbey Capital Holdings, the Australian subsidiary of the Crown Agents. They were described in the latest annual report of the Crown Agents holding and realisation board as being "of high quality in the office, retail and hotel sectors."

Jones Lang Wootton at the end of 1980 valued the freehold properties at £83m, the part-freehold part-leasehold properties at £22.7m and the leasehold properties at £3.3m.

But a shortage of office space has developed in Australia, especially over the past year. Commercial rents in Sydney have risen by 45 per cent in that period. Market values are at a substantial premium over book values.

If the Crown Agents decide on disposal now it will be in line with what it calls "the broad policy of retaining the portfolio until a favourable opportunity for realisation occurs."

This policy has been followed to reduce potential losses in Australia arising from the events of 1967-74. The Crown Agents' liabilities in Australia are thought to be about £185m.

An Australian sale would not necessarily affect the losses of the Crown Agents in the UK, caused by the collapse of the property and secondary banking sectors in 1973-74 and the failure of companies like those owned by Mr William Stern.

The process of realising assets and meeting liabilities will take several years

The Crown Agents disengagement from these sectors in both the UK and Australia is being handled by the holding and realisation board. Its establishment and the incorporation by statute of the Crown Agents folowed grants by the Government of £175m to prevent the bankruptcy of the Crown Agents.

Gambia and Senegal to merge

By Quentin Peel, Africa Editor

THE TINY west African state of the Gambia, one of Africa's more improbable colonial aberrations, has given up the unequal struggle and agreed to join its dominant neighbour Senegal in a confederation, to be known as Senegambia.

Agreement on the plan was announced at the weekend in Banjul, the Gambian capital, after a State visit by President Abdou Diouf, of Senegal.

Some form of integration was inevitable since Sir Dawda Jawara, the Glasgow-trained veterinary surgeon who is Gambia's Head of State, was forced to call in Senegalese troops last July to put down successfully an attempted coup —staged while he was attending the Royal Wedding in London.

Although geographically logical—Gambia is an enclave surrounded by Senegal—the union is unlikely to be straightforward, for Senegal is a former French colony, while Gambia was ruled by the British. Their official languages are different, as are their respective administrative systems.

The two countries became separate entities only because of 19th century Anglo-French rivalry, when the British seized control of 200 miles of the Gambia river running through the heart of French territory.

The agreement initialled by the two Heads of State and still to be ratified by their respective Parliaments, provides for amalgamation of the security forces (Gambia only has some 500 paramilitary police). It also provides for a joint currency integration of the two economies, and "co-ordination" of foreign policy.

Three-way talks on Polish crisis

BY CHRISTOPHER BOBINSKI IN WARSAW

LEADERS OF Poland's Communist Party, Roman Catholic Church and the Solidarity trade union are expected to meet again, probably this week, in a further attempt to reach a working relationship aimed at reducing tension in the country and solving the mounting economic crisis.

The meeting between General Wojsiek Jaruzelski, the Communist Party leader, Mr Lech Walesa, the Solidarity leader and Archbishop Jozef Glemp, head of the Polish church, follows a similar meeting on November 4.

One of the main issues at the proposed tripartite meeting will be the national agreement seen by the authorities as a new form of the National Unity Front. This is a Communist-controlled umbrella organisation which names candidates for national and local elections.

Meanwhile, Mr Marian Krzak, the Finance Minister, has admitted in a radio interview that membership of the International Monetary Fund should help convince society of the need for unpopular economic measures and provide credibility for government policies.

Already, some Solidarity organisations, like one in the important industrial region of Silesia, have told their members to start registering candidates for the February election.

Any agreement reached now will be a precedent for national parliamentary elections in 1984. IMF credits for Poland, which he said could reach $3.5bn, would be tied to conditions.

Shipbrokers move to go public

BY WILLIAM-HALL

CAPITALFIN International, the Italian-controlled investment company, has placed the bulk of its shares in H. Clarkson with UK financial institutions as part of a plan to seek a public quotation for Britain's biggest firm of shipbrokers in the next two years.

The company has placed 55 per cent of the shares in H. Clarkson with UK financial institutions, reducing its stake from 75 per cent to 20 per cent. As part of the deal, Finance for Shipping, owned by Finance for Industry, has ended up as the single biggest shareholder with 26.9 per cent.

The 8.8m shares were placed privately some weeks ago at 65p each, valuing the group at £10.4m. An associate and a subsidiary of British Linen Bank have acquired a 3.75 per cent stake and a further 24.4 per cent has been placed with institutions.

Capitalfin became involved with H. Clarkson in the early 1970s after it helped Mr Boris Vlasov, the Monte Carlo-based shipping magnate, win control of Shipping Industrial Holdings, Clarkson's parent.

After the takeover, the Office of Fair Trading required the Vlasov interests to divest the shipbroking and insurance broking interests of SIH. The two businesses were injected into H. Clarkson (Holdings) in 1975 and the majority of the finance was provided by Capitalfin.

***Just over a year ago* Clarkson's insurance broking interests were sold for £8m to Gillbrooke (Insurance Holdings), jointly owned by the Gill and Duffus Group and Brooke Bond Liebig. The major part of the proceeds were used to pay off a $15m loan.**

Clarkson made pre-tax profits of £2.96m in 1980 and is forecasting a 30 per cent increase to £3.85m this year. The group intends to pay a dividend of 4.75p a share net for 1982. At the placing price of 65p, this would give a yield of 10.43 per cent.

Continued from Page 1

Initiative

the so-called "mandate" in this final fortnight is so large that it may not now be accomplished.

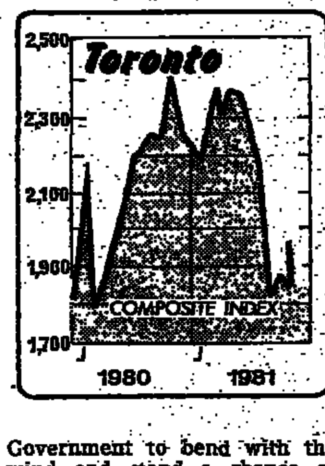
The 10 have made solid progress in acknowledging the new policy areas to be developed in the coming years.

After two-and-a-half months of discussion at both ministerial and official levels on the other two chapters of the "mandate," however, member-states are still far apart. What should be the main lines of Common Agricultural Policy (CAP) reform and even further from agreeing on a means of restructuring the Community budget so that neither the UK nor Germany is transferring unacceptable amounts to Brussels.

THE LEX COLUMN

Long term limits on gilt-edged

Foreign investors moved back into the UK gilt-edged market last week as dollar interest rates plummetted and the yield relationships began once more to move strongly in favour of sterling securities. The progress of the market was far from smooth, with some of the foreigners apparently getting tangled over the timing of Friday's call on the former long tap stock Exchequer 15 per cent 1997. Against the background of a general expectation that sterling will stay reasonably strong against the dollar over the next few months, the prospects for gilts look fair for the time being.



Each surge in the gilt-edged market, however, carries with it the seeds of the next decline. A burst of easy funding takes the pressure off the authorities, and with money market interest rates evidently still heading downwards Sir Geoffrey Howe's position at the time of his scheduled economic statement at the end of the month could be a good deal more relaxed than seemed likely only very recently.

For the moment, domestic considerations are having very little influence on a gilt-edged market that is dominated by transatlantic gyrations. The overshooting by sterling M3, the struggle over next year's level of public spending, and factors like the miners' pay struggle are all being swept aside.

Yields on long gilts of 15½ per cent or so are, of course, more than enough to take care of any inflationary trouble over the next year or so. The persistence of double figure inflation is a little disappointing —in October the year-on-year rate edged up to 11.7 per cent— but there is nothing in the current pay round or in the prospects for commodity prices to upset the view that the pace of price rises will subside again next year.

At some stage in the not too-distant future, however, the gilt-edged analysts will begin peering more seriously at the outlook for 1983, and beyond. Already the medium-term financial strategy has been abandoned as a credible framework by most City economists. At the very least it is assumed that the monetary growth constraints will be broadened and blurred, while there is strong pressure on the Government to switch to a cyclically-adjusted fiscal path which can only mean more sales of gilt-edged. And there is an increasingly second-best attitude in the gilt-edged market: better for the Government to bend with the wind and stand a chance of winning another term in 1983 or 1984 than to proceed rigidly to electoral disaster.

Over the next year or so, there is likely to be an increasing politicisation of sentiment in the gilt-edged market. If the SDP/Liberal bandwagon continues to roll, the market will have to come to terms with an impending shift in the economic framework, which at present is ill-defined but will presumably become more clearly focused. The prospect would not necessarily be alarming—after all, Mr Roy Jenkins was the last UK Chancellor ever to balance a budget—but at the very least the Alliance's trade-off between inflation and unemployment would be viewed less enthusiastically by long bond holders than the stance adopted by the Tories in the first half of their term.

None of this process of reassessment need rule out a further fall in sterling bond yields, but the downside scope is bound to be limited. And in any case the risk persists of another US credit crunch next year which would once again push UK domestic considerations into the background.

Canadian budget

The Canadian budget, presented at the end of last week, is likely to allay the recent fears of foreign investors. The Liberal government's energy policies have frequently provoked accusations of sabre-rattling nationalism, particularly from the U.S., but these criticisms should be softened by a financial package which is fiscally conservative and accommodating to direct investment from abroad.

The budget is as remarkable for its omissions as for its proposals. Fears that Canada's Foreign Investment Review Agency would be strengthened and that the nationalistic energy programme would be extended to other sectors, notably mining, have proved unfounded. A rumoured windfall profits tax on banks has failed to materialise and the government has rejected income and price controls as weapons against inflation. Exchange controls have also been ruled out.

Parts of this budget would win favour even among the policy-makers of London and Washington. Defence expenditure is being increased by 3 per cent in real terms, but the overall level of Federal spending is expected to rise at a slower rate than GDP. The government has apparently resisted the temptation to spend the energy tax revenues which will be rising steeply two years from now.

But the Trudeau government parts company with Washington over the means of stimulating a flagging economy. Marginal tax rates have been reduced but the lost revenue will be more than recovered by closing tax loopholes. Moreover, provincial governments are being asked to shoulder a greater portion of the national deficit and may be tempted to push up their own income tax rates.

The 5 per cent surcharge on corporation tax has been retained for the coming year and capital allowances have been tightened, so there is little fiscal stimulus for either the personal or corporate sector. The hope instead is to encourage investment by setting the scene for a reduction in long term interest rates. Short term money rates will continue to follow movements in the U.S. unless the Bank of Canada reverses its current exchange rate policy. But by accelerating the decline in the Federal deficit, the government may manage to inject more life into the bond market.

The Toronto stock market, which has been staging a tentative recovery from its miserable collapse in the summer, was unimpressed with the budget when dealings began on Friday. The package includes changes in capital gains tax which might just threaten the proposed takeover by Dome Petroleum of the outstanding minority in Hudson's Bay Oil and Gas. But there is otherwise little in the budget to undermine stock market confidence. The main danger for investors is that the Liberals will succumb to pressure within their own party for more reflationary and nationalist policies at a later stage.

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Weather

UK TODAY

CLOUDY with rain, heavy in places. Drier, cooler weather moving east to all areas except E. England.

London, E., S.E., N.E. England
Cloudy, rain at times. Max 13C (55F).

S.W., N.W. England, Midlands, Wales, Scotland, except N.W.
Cloudy, rain heavy in places, becoming drier,

N. Ireland
Sunny intervals, scattered showers. Max 7C (45F).

Outlook: Occasional rain or showers. Bright intervals,

WORLDWIDE

		Y'day midday °C	°F			Y'day midday °C	°F
Ajaccio	S	15	59	Locarno	S	12	54
Algiers	S	21	70	London	C	9	48
Amsdm.	S	7	45	L. Ang.†	C	16	61
Athens	C	15	59	Luxmbg.	F	5	41
Barhrain	S	27	81	Luxor	S	27	81
Barclna.	F	16	61	Madrid	S	8	46
Beirut	S	23	73	Majorca	S	17	63
Belfast	C	9	48	Malaga	F	20	68
Belgrd.	R	3	37	Malta	S	16	61
Berlin	C	4	39	M'chstr	C	7	45
Biarritz	S	13	55	Melbne.	C	13	55
Bmghm.	C	7	45	Miami†	S	16	61
Blackpl.	C	7	45	Milan	S	10	50
Bordx.	S	9	48	Moscow	C	−2	28
Boulgn.	F	9	48	Munich	Sn	−1	30
Bristol	C	9	48	Nairobi	F	20	68
Brussels	S	8	46	Naples	F	9	48
Budpst.	C	5	41	Nwcstl	C	8	46
Cairo	S	22	72	N. York†	R	7	45
Cardiff	C	8	46	Nice	S	15	59
Cas'b'ca	S	29	84	Nicosia	T	16	61
Chicg.†	F	2	36	Oporto	S	17	63
Cologne	F	2	36	Oslo	Sn	1	34
Cpnhgn.	S	3	37	Paris	Fg	2	36
Corfu	S	11	52	Perth	F	23	73
Denver†	F	4	39	Prague	Sn	0	32
Dublin	C	9	48	Rykjvk.	F	−1	30
Dbrvnk.	C	7	45	Rhodes	C	17	63
Ednbgh.	C	7	45	Rome	S	12	54
Faro	S	19	66	Salzbrg.	C	0	32
Florence	S	13	55	S'clacot	R	16	61
Frankft.	C	3	37	Stckhm.	S	2	36
Funchal	F	22	72	Strsbg.	S	6	43
Genova	S	6	43	Sydney	F	21	70
Gibrltr.	S	18	64	Tangier	S	23	73
Gl'sg'w	R	8	46	Tel Aviv	S	22	72
G'rnsey	C	8	46	Tenerife	C	26	79
Helsinki	F	1	34	Tokyo	C	15	59
H. Kong	F	26	79	T'r'nto†	F	0	32
Invrnss.	C	9	48	Tunis	S	18	64
I.o.Man	C	8	46	Valencia	S	16	61
Istanbul	S	15	59	Venice	S	9	48
Jersey	F	9	48	Vienna	C	3	37
Jo'burg	F	21	70	Warsaw	C	2	39
L. Plms.	F	26	79	Zurich	F	4	39
Lisbon	F	15	59				

C—Cloudy. F—Fair. Fg—Fog. R—Rain. S—Sunny. Sn—Snow. T—Thunder.
† Noon GMT temperatures.

China cracks down on smugglers

CHINA has reinforced its naval and customs patrols along her south coast in a bid to stamp out smuggling which has now reached such serious proportions that in one six-month period contraband worth US$40m (£22.2m) was captured. Alain Cass, Asia Editor, analyses the situation.

A CAMPAIGN is under way in China to stamp out smuggling which has reached epidemic proportions in some areas.

Official accounts admit the situation in the three south coast provinces of Guandong, Fujian and Zhejiang is "acute."

Several smuggling rings are operating in these areas, some involving "enterprises, rural communes, leading cadres and government organisations" who are "directly involved in smuggling activities."

Navy and coastal customs units have been reinforced and extra patrol boats sent to the area. From March to September, according to the official Chinese news agency, 800 boats carrying US$40m worth of smuggled goods were captured.

The latest outbreak is a direct result of the "open-door" policy which combines economic liberalisation at home with greater access to China's consumers for overseas Chinese traders.

The situation is also beginning to affect provinces deep within the Chinese mainland. Jilin, more than 1,500 miles from Guandong, has just banned the purchase of any goods from the three southern provinces. Smuggled goods include everything from television sets to cigarettes and refrigerators.

In an interview with the official Hsinhua news agency, Xiang Nan, one of the party chiefs of Fujian province, said the problem in one town was "so serious that peasants abandoned their farm work, workers refused to do their jobs, and students were not willing to attend classes. They all took part in smuggling."

Xiang revealed that, until a recent crackdown, the town was clogged with 1,700 lorries picking up smuggled goods every day.

In another instance, officials revealed that the number of cases against smugglers from Hong Kong and Macau handled by Canton security organisations had risen by 85 per cent over the same period last year.

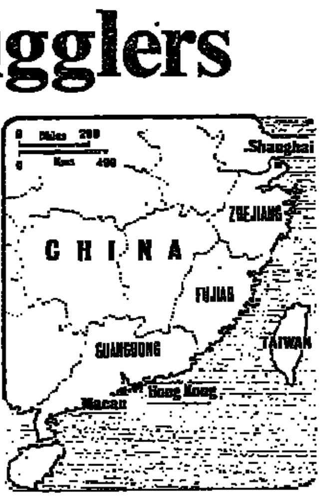
This follows a case in September when the Canton authorities smashed a major drug ring which used the city as a clearing house.

Eight men and six women were arrested with a substantial quantity of opium which had been smuggled across the border from Indochina's notorious "Golden Triangle."

Smuggling is regarded so seriously by the leadership that a national anti-smuggling conference was organised in Peking at the end of August.

This was chaired by Gu Mu, one of China's senior vice-premiers in charge of the economy and it was decided to "further strengthen the anti-smuggling forces at sea and on land."

China's economic liberalisation has spawned free markets all over the country where consumers with more money in their pockets can buy anything from hair curlers to Japanese stereo equipment and television sets made in Taiwan.



The profits are so big by Chinese standards that officials are being offered bribes of between £400 and £500 — the equivalent of two years' salary.

Observers now fear that hardliners within the leadership who strongly oppose the economic policies may use smuggling and corruption as a pretext to try to lead China back on to a more strictly Marxist path.

The campaign against official corruption is already in full swing. China's strong man, Deng Xiaoping, is on record as being "concerned about it."

Registered at the Post Office. Printed by St. Clement's Press for and published by the Financial Times Ltd., Bracken House, Cannon Street, London, EC4P 4BY.
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